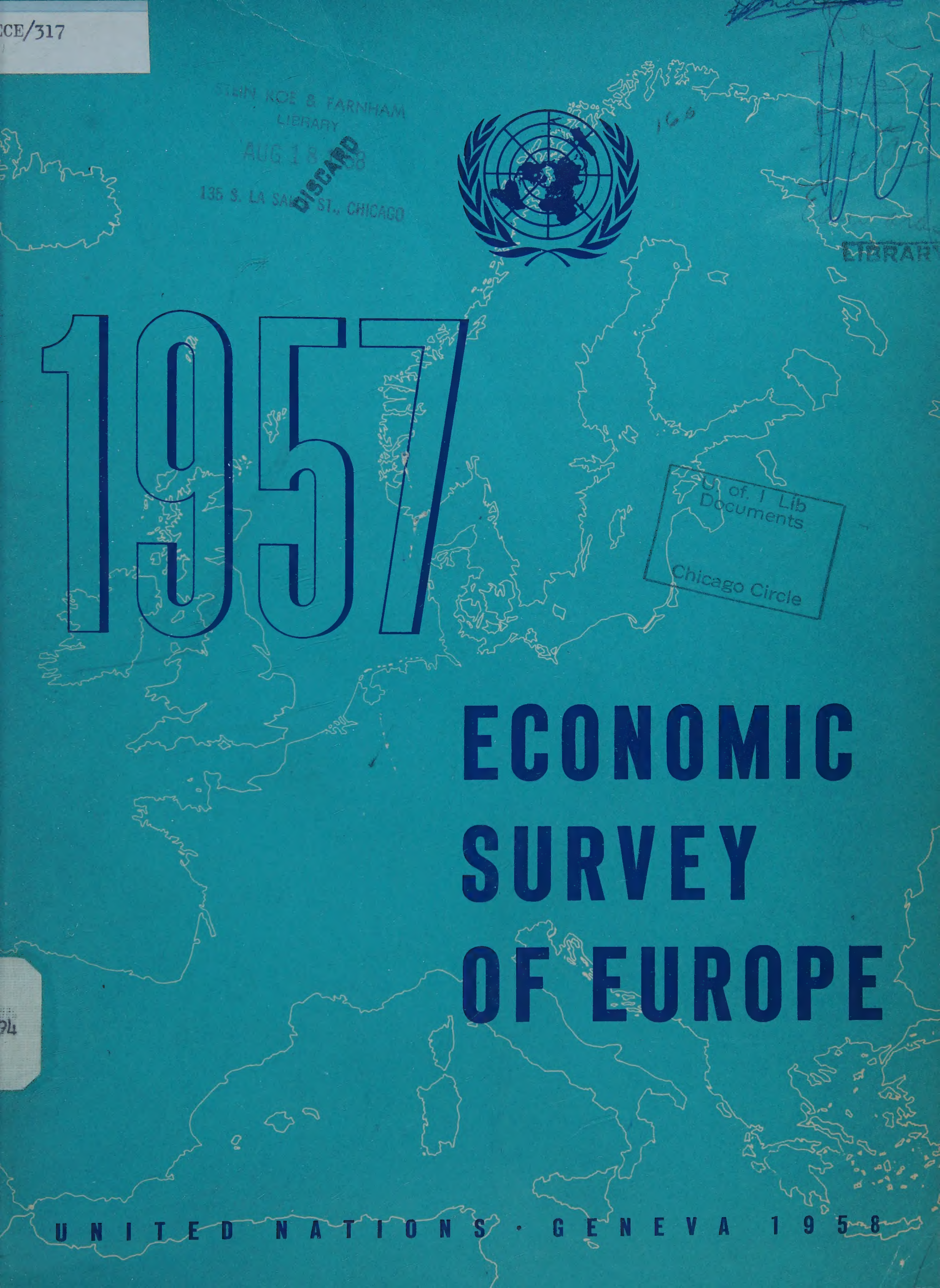
CE/317

STEIN ROE & FARNHAM
LIBRARY
AUG 18 1958
135 S. LA SALLE ST., CHICAGO

DISCARD

LIBRARY



1957

ECONOMIC SURVEY OF EUROPE

U. of I. Lib
Documents
Chicago Circle

94

UNITED NATIONS · GENEVA 1958

330.94
U
1957

CORRIGENDA
to
ECONOMIC SURVEY OF EUROPE IN 1957
(E/ECE/317)

U. of I Lib
Documents
Chicago Circle

Chapter I

Page 4, second column, sixth line, for "50 per cent more wheat" read "50 per cent more meat".

Page 6, first column, penultimate line, for "(see Table 6)" read "(see Table 16)".

Chapter III

Page 9, second column, 6th line of footnote 35, the equation should read:

$$q^*_{ih} = \frac{\overline{Q_{ih}}}{Q_i}$$

Page 17, footnote 46, for "Q_i, M_i and T_i" read "q_i, m_i and t_i".

Page 19, Table 9, 12th line of figures, 10th column, for 640 read 690.

Page 19, Table 10, 7th line of figures, 10th column, for 21 220 read 21 210.

Chapter V

Page 2, first column, 5th line, for 20 per cent read 40 per cent.

Page 8, Table 5, read "Values in millions of current dollars ...."

Chapter VI

Page 40, Soviet Union, Brown coal, 1954, for 143 400 read 103 400.

Chapter VII

Page 6, Table 3, Poland, 9th line of figures, 78.2 and 65.8 refer to the age group 55-64.

Page 31, Chart 8, in Sources: read "See Annex Table VII-G".

Appendix A

Page A-66, Table XXXVII, Bulgaria, National income, last column, for 147 read 174.

Appendix B

Sources and Methods to Chapter I. 26.1 (1 March 1958) should be included as an additional source for 1957 data in Tables 2 and 4 and 1958 Plan data in Table 16.

Sources and Methods to Chapter VI, p.15, 7th line from end, read: domestic/export price frontier Athus, foundry, phosphorus f.o.b.

List of sources: Hungary, in reference 12.7, insert after "... zsebkönyv" "and Magyar statisztikai evkönyv".

UNITED NATIONS

DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS

ECONOMIC SURVEY OF EUROPE IN 1957

including studies of
the International Trade of European Countries
and
Manpower and Employment in Eastern Europe and the Soviet Union

Prepared by the

RESEARCH AND PLANNING DIVISION
ECONOMIC COMMISSION FOR EUROPE

GENEVA, 1958

E/ECE/317

United Nations publication
Sales No. : 58. II.E. 1.

Price : $(U.S.) 4.00 ; 28/– stg. ; Swiss francs 17.—
(or equivalent in other currencies)

Prefatory note

The present SURVEY is the eleventh in a series of reports prepared by the secretariat of the Economic Commission for Europe to serve the needs of the Commission and to help in the task of reporting on world economic conditions which the Economic and Social Council of the United Nations has entrusted to the Department of Economic and Social Affairs.

A major object of the SURVEY, and of the quarterly *Economic Bulletin* which supplements it, is to analyse recent developments in the European economy and tendencies elsewhere which may significantly affect the economic framework within which the countries of Europe have to determine their policies. In Chapters I and II this SURVEY reviews economic developments during 1957 in the countries of eastern Europe and the Soviet Union and in the western European countries, respectively; and in Chapter II the normal review of the year has been extended to cover the whole of the current period of expansion since 1953. The SURVEY also contains in Chapter III the results of an analysis of the impact of changes in the main categories of aggregate domestic expenditure and of exports in certain western European countries on the level and pattern of their industrial output; and this carries further the similar analysis published in Chapter 2 of the *Economic Survey of Europe in 1953.*

In accordance with past practice, the opportunity has also been taken to focus attention on one specific field in which long-term issues of economic policy exist which should be of continuing concern to all European governments. Chapters IV and V contain a discussion of the growth of western European trade up to the present time, and of the probable development of future trade patterns—on two different assumptions about future rates of economic expansion in western Europe. This raises questions which affect not only Europe, but also overseas countries, and which are of considerable relevance to some of the issues of economic policy currently confronting European governments.

For the first time since publication of the *Economic Survey of Europe in 1954*, it has proved worth while to attempt an analysis not only of East-West trade in Europe, but also of the over-all geographical pattern and commodity composition of the international trade of eastern Europe and the Soviet Union. This analysis, based on data newly available from these countries, is contained in Chapter VI. New material has also made it possible to review, in Chapter VII, developments and problems in the field of manpower and employment in these countries.

The improvement in the supply of statistical and other data from eastern European countries and the Soviet Union, which was mentioned in the prefatory note to the last SURVEY, has continued during 1957. The increasingly comprehensive and regular flow of published data has been supplemented by statistical material supplied in response to special requests from the secretariat; and discussions with officials in several countries have also proved helpful. There remain serious deficiencies in the coverage of eastern European and Soviet statistics, particularly in the fields of national accounts and foreign trade; but the improvement has nevertheless been very marked in most countries of the region.

This SURVEY is published on the responsibility of the secretariat, and the views expressed in it should not be attributed to the Commission or to its member governments.

Geneva *March 1958*

TABLE OF CONTENTS

Chapter I

Recent economic developments in eastern Europe and the Soviet Union

Page

1. Agriculture . . . . I— 1
2. The development of industry 10
3. The distribution of resources 18
4. Pressures in the markets for consumers' goods 23
5. The status and the revisions of long-term plans 28
6. Changes in economic planning and management: 31
    (i) The Soviet Union 32
    (ii) Eastern Europe 37

Chapter II

The western European expansion since 1953

1. The course of the expansion since 1953 . . . . II— 1
    (i) The general characteristics of the period 1953 to 1957 1
    (ii) The demand factors in the expansion 3
    (iii) The impact of demand on resources 9
2. Inflationary pressures during the boom and the influence of government policies 16
3. Western Europe in 1957 and the prospects for 1958 25

Chapter III

Expenditure and output in western Europe

1. Introduction . . . . III — 1
2. Procedure followed in the derivation of the structure of production and demand 2
3. Differences in structures of expenditure and output 10

Chapter IV

The changing pattern of western Europe's trade

Introduction . . . . IV — 1
1. The dominating position of the industrial countries in world trade 2
2. Basic changes in world trade flows 4
3. Western Europe's imports from primary exporting countries 9
4. Western Europe's exports to primary exporting countries 19

Chapter V

Prospective trade structures

Page

1. The projection of western Europe's output and trade . . . . . V — 1
2. Future imports into western Europe and North America of foodstuffs, raw materials and fuels 3
3. The impact of western European economic integration 14
4. Implications of the changes in trade patterns 19

Annex to Chapter V. — Supplementary information on the methods used in projecting western Europe's imports of primary products in 1975 27

Chapter VI

Developments in the foreign trade of eastern Europe and the Soviet Union

1. The place of eastern Europe and the Soviet Union in world trade . . . . . VI — 1
2. The commodity composition of trade 6
3. Recent developments in trade and changes in trade balances 21
4. Problems of pricing and of specialization 26
5. Some factors affecting trade development 30

Chapter VII

Manpower and employment in eastern Europe and the Soviet Union

Introduction . . . . . VII — 1

1. Factors affecting the supply of labour 1
   - (i) The demographic background 1
   - (ii) Factors affecting the growth of the active population 10
2. Employment and the process of industrialization 19
   - (i) Agriculture versus industry 19
   - (ii) Changes in the structure of employment outside agriculture 25
3. Employment planning and the organization of the labour market 35
   - (i) The planning of employment 36
   - (ii) The administrative machinery 37
   - (iii) The market forces 42
4. Labour market trends and the current employment problems 43
   - (i) The changing labour market in five eastern European countries 44
   - (ii) Labour shortages in eastern Germany and Czechoslovakia 48
   - (iii) Some labour problems of the Soviet Union 51

* * *

Appendix A — Supplementary statistics . . . . . A — 1
Appendix B — Notes on sources and methods . . . . . B — 1
List of sources quoted in Appendix B . . . . . B — 39

INDEX OF TABLES

Chapter I. — Recent economic developments in eastern Europe and the Soviet Union

Table	*Page*	*Page (App B.)*
1. Harvest of cereals in eastern Europe	I — 2	2
2. Crops and sales of plant produce in the Soviet Union	3	
3. Production and net exports (+) or imports (–) of sugar	4	2
4. Output and sales of livestock products in the Soviet Union	5	
5. Marketed output of livestock products in eastern Europe	6	
6. Co-operative farms in eastern Europe	7	
7. Advanced-type co-operative farms in Czechoslovakia	8	
8. Indicators of industrial activity in eastern Europe and the Soviet Union	11	
9. Imports of some industrial raw materials in eastern Europe in 1957	13	
10. Output of metal-made consumers' goods in eastern Europe and the Soviet Union	14	
11. Average annual percentage rates of growth in output and consumption of primary energy in eastern Europe	16	
12. Growth in production and in capacity installed of electric power in eastern Europe	17	
13. Net domestic product in eastern Europe and the Soviet Union	19	
14. National income in Poland and Hungary	19	
15. Capital formation by sector in eastern Europe and the Soviet Union	20	
16. Constituents of personal and farm income and expenditure in eastern Europe and the Soviet Union	24-25	3
17. Percentage increases in retail trade turnover in eastern Europe and the Soviet Union	26	
18. Savings deposits in eastern Europe	27	
19. Some plan targets in Czechoslovakia, eastern Germany and Poland	29	
20. Planned structure of total investment during 1956 to 1960 in Poland and eastern Germany	30	
21. Targets of the 15-year plan in the Soviet Union	31	

CHAPTER II. — The western European expansion since 1953

Table	*Page*	*Page (App B.)*
1. Rate of economic growth in western Europe	II — 3	4
2. Allocation of the annual increase in total expenditure at 1954 prices in OEEC countries	4	
3. Average and marginal relationship of productive investment and exports to total resources	6	
4. Trade of western Europe by areas	7	4
5. Changes in demand affecting industrial production in France and in the United Kingdom	10	5
6. Changes in the population of working age, net immigration, employment and unemployment 1953 to 1957	14	
7. Indicators of inflationary pressures	17	
8. Central government revenue and expenditure from 1952 to 1956	23	5
9. Supply and use of resources in 1957	26	6
10. Indicators of developments in 1957	27	6

CHAPTER III. — Expenditure and output in western Europe

Table	*Page*	*Page (App B.)*
1. Cumulated cost of final demand in western Europe in 1950	III — 4	9
2. Cumulated cost structure of total stocks in France and the United Kingdom	7	
3. Final destination of resources in western Europe in 1950	8	9
4. Final allocation of gross fixed investment in the United Kingdom in 1950	9	9
5. Final destination of resources in the United Kingdom in 1950	10	
6. Changes in resources and their utilization between 1950 and 1955 in western Europe	14	9
7. Average and marginal cumulated cost of final demand in western Europe	16	9
8. OEEC countries combined: cumulated cost of final demand in 1953	18	8
9. France: Cumulated cost of final demand in 1951	19	8
10. Western Germany: Cumulated cost of final demand in 1953	19	8
11. Italy: Cumulated cost of final demand in 1953	20	8
12. Netherlands: Cumulated cost of final demand in 1950	20	8
13. Norway: Cumulated cost of final demand in 1950	21	8
14. Sweden: Cumulated cost of final demand in 1950	21	8-9
15. United Kingdom: Cumulated cost of final demand in 1950	22	8-9
16. Changes in resources and their utilization between 1950 and 1955 in six European countries	23	9

CHAPTER IV. — The changing pattern of western Europe's trade

Table	Page (text)	Page (App. B)
1. Network of world trade	IV — 5	
2. Share of major primary exporting regions in their total trade	7	
3. Changes in trade balances	8	14
4. Share of agricultural products in the imports of selected countries	9	
5. Degree of dependence on imports for selected food products	10	
6. Percentage increases in output and imports between 1952 and 1956	12	14
7. Changes in the origin of western Europe's imports from overseas	13	
8. Imports into industrial countries from primary exporting countries	14	
9. Commodity composition of imports from primary exporting countries in 1956	15	
10. Imports into nine western European countries from overseas in 1956	16	
11. Imports into selected western European countries by areas of origin	17	
12. Distribution of imports into nine western European countries by area of origin	18	
13. Share of primary exporting countries in total exports of western European countries in 1956	19	
14. Share of primary exporting countries in capital goods exports of western Europe and the United States in 1956	19	
15. Commodity composition of imports into primary exporting countries from western Europe and the United States	21	13
16. Commodity composition and volume of imports into primary exporting countries from western Europe and the United States	22	13
17. Share of western Europe and the United States in total imports of primary exporting countries	24	
18. Commodity composition of exports from western Europe and the United States to primary exporting countries, and the share of western Europe in those exports	25	
19. Share of individual western European countries in their combined exports to primary exporting countries	26	
20. Commodity composition of exports from the United Kingdom, France and western Germany to primary exporting countries	26	13
21. Commodity composition of exports from six selected western European countries to primary exporting countries	27	13
22. Commodity structure of western Europe's exports by areas of destination	27	13

Chapter V. — Prospective trade structures

Table	Page (text)	Page (App. B)
1. Employed population by sectors in OEEC countries	V — 2	14
2. Gross domestic product at factor cost in OEEC countries	2	14
3. Imports into western Europe and North America of foodstuffs, raw materials and fuels	4	
4. Imports of foodstuffs into western Europe and North America	6	
5. Imports of raw materials of agricultural origin into western Europe and North America	8	
6. Imports of minerals, ores and base metals into western Europe and North America	11	
7. Imports of foodstuffs and crude materials into western Europe and North America by areas of origin	12	

Annex to Chapter V. — *Supplementary information on the methods and information used in projecting western Europe's imports of primary products in 1975*

Table	Page (text)	Page (App. B)
V-A. Per capita consumption of selected foodstuffs and income elasticities used in projections for 1975	27	
V-B. Composition of European agricultural production	28	
V-C. Natural and synthetic materials in selected industries in western Europe and the United States	31	
V-D. World rubber position, 1955 and 1975	32	

CHAPTER VI. — Developments in the foreign trade of eastern Europe and the Soviet Union

Table	Page (text)	Page (App. B)
1. Foreign trade of the eastern European countries and the Soviet Union in relation to world trade	VI — 2	15
2. Percentage share of the Soviet Union in the total trade of five eastern European countries	5	

Table		Page (text)	Page (App. B)
3.	Trade of five eastern European countries by main areas and commodity groups	VI — 6	
4.	Commodity composition of exports and imports in the Soviet Union and five eastern European countries in 1950 and 1956	8	
5.	Trade in hard coal in eastern Europe and the Soviet Union	9	
6.	Imports of crude and refined oil by eastern European countries	11	
7.	Sales by the Soviet Union of crude and refined oil products from Austrian non-commercial deliveries	12	
8.	Exports and imports of pig iron and rolled steel in eastern European countries and the Soviet Union by main trade areas	13	
9.	Indicators of technical efficiency of pig iron and crude steel production in eastern Europe and the Soviet Union	14	
10.	Trade in iron ore in eastern Europe and the Soviet Union	14	
11.	Production and trade in non-ferrous metals in eastern Europe and the Soviet Union in 1956	15	
12.	Trade of eastern Europe and the Soviet Union in industrial wood and wood products	15	
13.	Export or import balances of the Soviet Union and eastern Europe in trade in timber with western Europe	16	
14.	Sources of supply of cotton to eastern Europe and the Soviet Union	17	
15.	Exports and imports of machinery and equipment in eastern Europe and the Soviet Union	18	17
16.	Trade in manufactured consumers' goods of eastern Europe and the Soviet Union	19	
17.	Foreign trade and credits in eastern Europe and the Soviet Union	23	
18.	Trade with the Soviet Union of five eastern European countries	25	
19.	Derived index numbers of average values of exports and imports in Czechoslovakia and Poland	27	
20.	Unit values of certain exports from Hungary and Bulgaria	28	
21.	Foreign trade in Hungary and eastern Germany showing adjustment between home and foreign trade prices	29	16

Annex to Chapter VI

Table		Page (text)	Page (App. B)
VI-A.	Network of exports and imports in the eastern trade area, 1948-1956	35	16
B.	Exports and imports of coal, mineral oil and their derivatives by eastern European countries and the Soviet Union	37	16
C.	Trade in hard coal coke in eastern Europe	38	
D.	Production and apparent consumption of coal, mineral oil and their derivatives in eastern Europe and the Soviet Union	39	
E.	Net exports (+) or net imports (—) of steel and steel-making materials in eastern Europe and the Soviet Union	41	
F.	Production and apparent consumption of steel and steel-making materials in eastern Europe and the Soviet Union	42	
G.	Exports (+) or imports (—) of sawn wood in eastern Europe and the Soviet Union	43	
H.	Production and apparent consumption of wood and wood products in eastern Europe and the Soviet Union	44	
I.	Exports of machinery and equipment from Czechoslovakia and eastern Germany by major commodity groups	45	
J.	Exports of industrial and agricultural machinery from Czechoslovakia and eastern Germany by main types of product	46	
K.	Imports and exports of machinery and equipment of Bulgaria, Hungary, Poland and Rumania by major commodity groups	47	
L.	Exports of machine tools from Czechoslovakia, eastern Germany and Hungary	48	
M.	Exports and imports of food in five eastern European countries and the Soviet Union by major commodity groups	49	
N.	Production and net trade in grain and meat in eastern Europe and the Soviet Union	51	
O.	Trade in grain in eastern Europe and the Soviet Union	52	
P.	Exports of main agricultural products of Bulgaria, Hungary and Poland by area of destination	53	
Q.	Changes in unit values of certain exports of fuels and raw materials from the Soviet Union and in price quotations on major international markets	54	
R.	Credit arrangements of eastern European countries and Asian members of the group from 1947 to 1957	55	16

CHAPTER VII. — Manpower and employment in eastern Europe and the Soviet Union

Table	Page (text)	Page (App. B)
1. Total population in eastern Europe and the Soviet Union, 1939 to 1970	VII — 1	17
2. Changes in the age structure of the adult population in six countries	4	17
3. Trends in age-specific death-rates	6	18
4. Female wage-earners by main economic branches	12-13	18
5. Changes in the size of the total working population, by sex, in four countries	14	
6. Changes in numbers of wage-earners and employees outside agriculture, by sex, in six countries	15	
7. Percentage share of females in total wage-earners and percentage distribution of female wage-earnes by economic branches in selected countries	16	
8. Share of femaes in industrial employment in selected countries	17	18
9. Working population outside agriculture	19	18-19
10. Urban population in six countries	20	
11. Rural/urban mirgration in Poland, 1949 to 1955	20	
12. Population of Czechoslovak towns	22	
13. Male workers in agriculture	24	
14. Employment in manufacturing handicrafts in eastern Europe	27	
15. Structure of working population outside agriculture in eastern Europe and the Soviet Union	28	18-19
16. Employment in the socialist sector in eastern Germany	29	
17. Numbers of coal miners in selected European countries	33	
18. Employment of manual workers and output in Soviet coal-mining	34	
19. Planned and actual changes in non-agricultural employment in the Soviet Union	36	
20. Graduates of Labour Reserve System schools in the Soviet Union	39	
21. Number of registered vacancies and of job-seekers in Poland, 1948-1957	44	
22. Registered job-seekers and vacancies in Poland	45	
23. Changes in per capita consumption of food and industrial articles in the Soviet Union	52	
VII-A. Sex ratios (females per 100 males) in broad age groups	54	17-18
VII-B. Trends in crude birth and death rates and in rates of natural increase	55	19
VII-C. Age and sex distribution of population by broad age groups	56-57-58	17-18
VII-D. Number of students in secondary and higher schools (excluding extra-mural courses)	59	
VII-E. Working population by economic branches	60	18-19
VII-F. Distribution of wage-earners outside agriculture	61-62	
VII-G. Manual workers by branch of industry	63	

INDEX OF CHARTS

Chapter II

Chart		
1. Volume of gross national product and of industrial production	II — 2	4
2. Indices of gross national product, imports and exports	11	6
3. Industrial production and trade of western Europe	12	
4. Central Bank discount rates	21	

Chapter III

1. Growth of resources in western Europe . . . . III — 13 9

Chapter IV

1. Per capita gross national product and net imports of selected commodities in western Europe . . . . IV — 11 14
2. Purchasing power of exports of primary exporting countries 21 13

Chapter V

1. Population and exports to industrial countries of the major groups of primary exporting countries . . . . V — 23

Chapter VI

Chart	*Page (text)*	*Page (App. B)*
1. Exports and imports of eastern European countries and the Soviet Union by trade area . .	VI — 4	
2. Composition of foreign trade of five eastern European countries and the Soviet Union by main commodity groups, 1950 to 1956	7	
3. National income and foreign trade in four eastern European countries	22	

Chapter VII

1. Changes in age and sex structures of selected populations	VII — 2-3	17-18
2. Changes in the age distributions of populations by broad age groups	5	17-18
3. A. Trends in crude birth-rates	7	
B. Crude birth-rates, death-rates and rates of natural increase	7	
4. Trends in elementary and lower secondary school population of the Soviet Union	8	
5. Number of persons reaching the age of 16 in eastern Germany, Hungary and Poland . .	10	17-18
6. Female activity rates in eastern Germany in 1950	14	
7. Annual changes in average numbers of wage-earners outside agriculture in eastern Europe and the Soviet Union	26	
8. Manual workers in broad groups of industry and building	31	

APPENDICES

Appendix A. — Supplementary statistics

	Page	*Page (App. B)*
I. Annual changes in the supply and use of resources.	A—2-3	6
II. Private consumption	4-5	6
III. Output per man-hour and wage costs by industrial sectors	6-7	7
IV. Orders received and stock of orders in industry	8	
V. Gross fixed capital formation by sectors	9	7
VI. Balance of payments of western Europe with the United States	10	
VII. Balance of payments of the world with the United States.	11	
VIII. Trade of western European countries with each other.	12-13	
IX. World trade by geographical areas	14-15	10
X. World trade by areas, classified according to type of principal exports, 1928, 1937-38 (average), 1952, 1956	16-19	10
XI. Exports of selected European countries and the United States by main commodity groups and by area of destination	20-27	10-12
XII. Imports of selected European countries and the United States by main commodity groups and by area of origin	28-31	13
XIII. Index numbers of volume of imports and exports for major commodity groups	32	7
XIV. Index numbers of import and export unit values for major commodity groups	33	7
XV. Production, net trade and apparent consumption of wheat, rye and rice by main areas	34	15
XVI. Production, net trade and apparent consumption of coarse grain by main areas	35	15
XVII. Production, net trade and apparent consumption of sugar by main areas . . .	36	15
XVIII. Production, net trade and apparent consumption of coffee by main areas. . .	37	15
XIX. Production, net trade and apparent consumption of cocoa beans by main areas	38	15
XX. Production, net trade and apparent consumption of tea by main areas	39	15
XXI. Production, net trade and apparent consumption of unmanufactured tobacco by main areas.	40	15
XXII. Production, net trade and apparent consumption of natural and synthetic rubber by main areas	41	15
XXIII. Production, net trade and apparent consumption of raw cotton by main areas	42	15
XXIV. Production, net trade and apparent consumption of raw wool by main areas .	43	15
XXV. Production, net trade and apparent consumption of jute and burlap by main areas	44	15
XXVI. Production, net trade and apparent consumption of hard fibres by main areas . .	45	15
XXVII. Production, net trade and apparent consumption of bauxite and aluminium by main areas.	46	15

		Page	Page (App. B)
XXVIII.	Production, net trade and apparent consumption of copper ore and metal in main areas	47	15
XXIX.	Production, net trade and apparent consumption of lead ore and metal by main areas	48	15
XXX.	Production, net trade and apparent consumption of tin in concentrates and tin metal by main areas	49	15
XXXI.	Production, net trade and apparent consumption of zinc ore and metal by main areas	50	15
XXXII.	Production, net trade and apparent consumption of crude petroleum by main areas	51	15
XXXIII.	Foreign trade of six eastern European countries and the Soviet Union by main commodity groups	53-59	15
XXXIV.	Foreign trade of four eastern European countries by main trade areas and main commodity groups	60-63	15
XXXV.	Imports of eastern European countries and the Soviet Union by main trade areas	64	15
XXXVI.	Exports of eastern European countries and the Soviet Union by main trade areas	65	15
XXXVII.	National income and foreign trade in Bulgaria, Czechoslovakia, Hungary and Poland	66	17
XXXVIII.	Yields of main crops in eastern Europe	67	
XXXIX.	Public accounts of the Soviet Union	68	
XL.	Dwelling construction in eastern Europe and the Soviet Union	69	
XLI.	Inland freight transport in the Soviet Union and eastern Europe	70	4
XLII.	Production, import or export surpluses and apparent consumption of primary energy in eastern Europe	71	

EXPLANATORY NOTES

The designation of countries and territories in this publication and its arrangement of material should not be considered as implying any endorsement or other judgement by the Secretariat of the United Nations on the boundaries or status of a country and its authorities.

The term "western Germany" as used in the text refers to the Federal Republic of Germany; the term "eastern Germany" refers to the eastern zone of Germany, which participates in the work of the subsidiary bodies of the Commission in accordance with article 10 of the Commission's terms of reference.

The following symbols have been used throughout this SURVEY:

.. = not available or not pertinent;

— = nil or negligible;

* = estimate by the secretariat of the Economic Commission for Europe;

I = interruption in the comparability of the series or a change in the unit in which the series is reported.

In referring to combinations of years, the use of an oblique stroke — e.g., 1956/57 — signifies a twelve-month period (say from 1 July 1956 to 30 June 1957). The use of a hyphen — e.g., 1953-1957 — normally signifies an average of the full period of calendar years covered (including the end years indicated).

Unless the contrary is stated, the standard unit of weight used throughout is the metric ton. The definition of "billion" used throughout is one thousand million. Minor discrepancies in totals and percentages are due to rounding.

In general, information received up to mid-February 1958 has been included in the SURVEY.

Chapter I

RECENT ECONOMIC DEVELOPMENTS IN EASTERN EUROPE AND THE SOVIET UNION

The year 1957 opened in eastern Europe in an atmosphere of economic and political difficulties. The Hungarian economy was suffering from the shocks sustained at the end of the previous year and, not only in Hungary and Poland but elsewhere in eastern Europe also, increases in money incomes had been conceded or promised on a scale that threatened to produce heavy pressure on markets for consumers' goods. Poor harvests in 1956 in Bulgaria, Hungary and Rumania added to the problems of those countries: the sudden slowing down of Polish coal exports produced fuel shortages early in the year in Czechoslovakia and eastern Germany: difficulties in exporting enough to cover needs for imported raw materials and other goods were becoming increasingly acute in several countries.

The plans for the year reflected these difficulties. Output plans were generally cautious and those for state investment showed a levelling off, or reductions from the previous year's levels, everywhere except in Czechoslovakia and eastern Germany.

In the Soviet Union also some slowing down of the rate of economic growth and of investment was planned, this being mainly intended to reduce the over-all pressure on resources.

Actual developments during the year were more favourable than had been expected. Industrial output everywhere exceeded the planned levels, though in most eastern European countries this success depended on larger supplies of raw materials financed in part by foreign credits (mainly from the Soviet Union) that will later have to be repaid. The Soviet Union was also able to supply grain to those countries which needed imports. Over-all consumption was raised significantly in nearly all countries, though not to the full extent of the rise in money incomes in Hungary and Poland where the upward pressure on prices was most pronounced. Finally, investment—particularly in building — was generally rather higher than had been planned.

Throughout the year, discussion of the basic principles and the techniques of managing a planned economy has continued in most countries of the region. Far-reaching changes have been introduced in the Soviet Union, and somewhat different possibilities are being discussed elsewhere. Employment problems have also aroused increasing concern, and some measures have been taken to deal with threats of unemployment in certain eastern European countries.[1]

---

[1] See Chapter VII, section 4.

1. AGRICULTURE

The 1957 Cereals Harvests

The good harvests of 1957 have produced a post-war record crop of cereals in eastern Europe, exceeding that of 1956 by more than 8½ million tons (see Table 1). This promises a welcome relief to balance-of-payments strains in Hungary and Poland;[2] in Rumania, it assures grain supplies adequate to meet the rise in consumer demand likely to follow the wage reform introduced at the end of the year and, as in Bulgaria, to support the planned expansion of livestock production; in Albania, it permitted the abolition of rationing. Eastern Germany and Czechoslovakia were the two exceptions to the general record of good grain crops; and in both countries, harvesting losses — due partly to labour shortage on large farms and in the machine and tractor stations — were a factor in the poor results.

In the Soviet Union, technical plants did better than cereals, but state procurements of grain were larger than in any post-war year save 1956,[3] though

---

[2] It is planned to import 0.9 million tons of grain into Poland in 1958 as compared with 1.5 million tons in 1957. In Hungary, thanks to procurements in 1957 which were 370,000 tons above the amounts expected, centrally-held stocks at the end of the year amounted to four months' consumption, despite the fact that imports in 1957 were 337,000 tons instead of the 553,000 tons originally planned.

[3] The needs to be satisfied from procurements were also — perhaps more than correspondingly — greater (urban consumption, state-owned livestock and workers on state farms), but deliveries are now genuinely net of seed. A decree of 8 May 1956 gave the farms' seed requirements priority over deliveries to the state.

TABLE 1

Harvest of cereals in Eastern Europe

Thousands of tons

Country	All cereals			Bread grain [a]			Coarse grain [b]		
	1951-1955 yearly average	1956	1957	1951-1955 yearly average	1956	1957	1951-1955 yearly average	1956	1957
Bulgaria	3 988	3 383	4 570	2 318	1 850	2 452	1 670	1 533	2 118
Czechoslovakia	4 109	5 418	5 218	1 666	2 591	2 486	2 443	2 827	2 732
Eastern Germany [c]	5 632 [d]	5 335	5 386	3 489 [d]	3 385	3 490	2 143 [d]	1 950	1 896
Hungary	5 850	5 194	6 961	2 588	2 339	2 446	3 262	2 855	4 515
Poland [e]	11 280	12 064	13 578	7 980	8 674	9 524	3 300	3 390	4 054
Rumania	8 179	7 100	11 435	3 338	2 572	4 269	4 841	4 528	7 166
TOTAL [f]	39 038	38 494	47 148	21 379	21 411	24 667	17 659	17 083	22 481

Sources : Direct communications from Governments.

[a] Wheat and rye.

[b] Maize for grain, barley and oats.

[c] Production data refer to barn yields (net of losses); they differ from biological yields (including harvesting losses) published previously.

[d] 1953–1955 average.

[e] Excluding maize for grain.

[f] The Albanian crop (362,000 tons in 1955) is not included.

drought, as in 1955, prevented the Soviet Union from reaping the benefits of its investment in opening up virgin lands in the east.[4] Two bad crops in every five years were part of the calculated risk envisaged when the scheme was launched; but the lesson of 1957 is that, even if the climate is as benevolent as expected, nothing like the planned average return can be obtained at the present level of current and capital outlay on the virgin lands. In the first place, the exhaustion of the primary fertility of the new land — of which signs are already appearing — will have to be offset by artificial fertilizer, of which virtually none is yet available for grain farming, or by other means; and rising salinity must be countered either by melioration works or by transfer to other land still unploughed. Secondly, ancillary capital is still inadequate: even in a poor year like the last, daily peak deliveries — admittedly affected by a wet harvest — substantially exceeded the capacity of driers, threshing floors and elevators, and losses due to open or damp storage are heavy: losses also occur because most transport is by open lorry over bumpy, unmetalled roads. Thirdly, the patchy soil and the variable weather during growing bring up stalks of varying height with consequent wastage if combine-harvested; and combining is almost exclusively employed.[5] More labour-intensive harvesting would involve heavier investment in social capital than has hitherto been envisaged.

The question arises whether the further extension of cultivation in the present development zones will offer the best returns to the manpower and investment to be devoted to Soviet agriculture in future; and the year's good crop in the traditional grain areas — the Ukraine and the Kuban, where there have been only two droughts in the past eight years — throws the choice into bolder relief. The 1958 Plan clearly envisages further development on the lines of the last four years, though providing no greater share of investment for agriculture than in 1957; but the New Year Appeal to Farmers suggested that some slackening of the virgin lands campaign in favour of increased efforts in other areas was contemplated.[6]

Other Crops

As Table 2 shows, the output of cotton, flax and potatoes was somewhat below the good 1956 level in the Soviet Union, but above that of 1955. Vegetables did about as well as last year and grapes and orchard crops were remarkably good. Farmers readily responded to the abolition of compulsory deliveries and to the equalization of state contract prices with local free market prices for fruit.[7] Sales of vegetables

---

[4] Between 1954 and 1957 36 million hectares have been taken under the plough.

[5] The park of combines was run down in the Ukraine and the Kuban to supply the new lands; at the beginning of 1957, Kazakhstan and Siberia had 74,000 more combines than at the end of 1953, whereas the national stock had increased by 68,000.

[6] *Pravda*, 21 January 1958. The plan that a soil map shall be made for every Ukrainian farm by 1961 (*Zemledelie*, No. 12, 1957) may be seen as a complement to this policy.

[7] As the result of the equalization of price to local market quotations, procurement agencies could only rely like any competitive wholesaler on the profits of bulk handling and transport to retailers. It is reported that, finding this insufficient, they failed to buy as much from farms as was offered.

TABLE 2

Crops and sales of plant produce in the Soviet Union

Crop	Year	Area sown (Millions of hectares)	Gross harvest		Marketed output			
					Total	State procurements		Sales on 251 farm markets [a]
						State farms	Collective farms	
			Index	Millions of tons				
Grain	1953	106.7	100	83 *	35.8	3.68	25.43 [b]	0.68
	1955	126.4	130	108 *	42*	5	27.9	. .
	1956	128.3	155	130 *	61.2	15.29	38.83	0.72
	1957	126.4	126	105 *	42.2	36.7		. .
Cotton (unginned)	1953	1.88	100	3.9	3.85	0.17	3.68	—
	1955	2.20	103	4.0	3.85	. .	. .	—
	1956	2.07	115	4.5	4.33	0.23	4.10	—
	1957	2.00	113	4.4	4.21	0·43	3.78	—
Flax [c]	1953	1.24	100	0.13	. .	—	. .	—
	1955	1.48	233	0.31	. .	—	. .	—
	1956	1.92	319	0.43	. .	—	. .	—
	1957	1.70	280	0.38	. .	—	. .	—
Sugar beet	1953	1.57	100	23.1	22.9	0.7 *	22.2 *	—
	1955	1.76	134	31.0	. .	0.5 *	. .	—
	1956	2.01	141	32.5	30.7	0.6 *	30.9 *	—
	1957	2.10	170	39.4	38.4	0.6	37.8	—
Sunflower seed	1953	3.90	100	4.1	2.07	0.1 *	1.9 *	0.07
	1955	4.24	145	5.8	. .	0.2 *	. .	. .
	1956	4.51	151	6.2	2.86	0.2 *	2.5 *	0.11
	1957	4.10	. .	. .	. .	. .	. .	. .
Potatoes	1953	8.3	100	72.7	12.1	. .	. .	1.2
	1955	8.1	. .	. .	13.8	. .	. .	. .
	1956	9.2	132	96.0	16.7	. .	. .	1.6
	1957	9.8	120	87.2	. .	. .	. .	. .
Other vegetables	1953	1.3	100	11.8	5.1	. .		1.0
	1955	1.5	. .	. .	. .	. .		. .
	1956	1.6	121	14.3	6.9	3.74 [b]		1.4
	1957	1.5	127	15.0	. .	4.08 [b]		. .
Fruit	1953	2.56	. .	. .	. .	. .		. .
	1956	3.13	. .	. .	. .	1.24 [b]		0.72
	1957	. .	. .	. .	. .	1.66 [b]		. .
Silk (cocoons)	1955	—	. .	. .	24 [d]	. .		—
	1956	—	. .	. .	28 [d]	. .		—
	1957	—	. .	. .	24 [d]	. .		—

Sources : See Appendix B.

[a] Including commission sales in co-operative shops.

[b] Including deliveries from private plots (none obligatory in 1957).

[c] Dolgunets flax (for fibre) only; assumed to be on scutched basis.

[d] Thousand tons.

to the State in fact took a larger share of the crop than did procurement the year before.

The Soviet crop of sugar beet was a record, though the sugar content was lower than in 1956, and throughout eastern Europe yields were extraordinarily good (see Appendix Table XXXVIII). Not only were they everywhere between one-quarter (Bulgaria and Poland[8]) and one-half (Czechoslovakia, Rumania and Albania) better than in the rather poor year 1956,

---

[8] The apparent rise in yields in Poland may be exaggerated by a tendency of farmers in earlier years to report more land under sugar beet than was the case, in order to obtain an allocation of fertilizer. Last year, fertilizers were more freely available, although more expensive.

TABLE 3

Production and net exports (+) or imports (–) of sugar

Thousands of tons of refined sugar

Country	Output 1955	Trade 1956	Output 1956	Trade 1957	Output 1957
Bulgaria	63	+2	107	+10 [a]	117
Czechoslovakia .	659	+143	593	+24 [a]	792
Eastern Germany	641	+75	506	— [b]	767
Hungary . . .	248	–14	216	–22 [a]	300
Poland	981	+61	777	—	1 059
Soviet Union .	3 419	–75 [c]	4 354	–346 [d]	4 491

Sources : Direct communications from Governments; eastern European statistical yearbooks, quarterly and monthly statistical bulletins; *Rudé Právo*, 29 January 1958; *Statistical Bulletin of the International Sugar Council*, Vol. 16, No. 12, December 1957; *Hospodářské Noviny*, No. 23, 1957; *Neues Deutschland*, 18 February 1958.

[a] 9 months.

[b] 11 months.

[c] Excluding imports from Czechoslovakia.

[d] 11 months, excluding imports from Czechoslovakia and Poland.

but, with only one exception (eastern Germany), substantially better than the average of the preceding five years. The resulting production of sugar should entirely meet home demand in Bulgaria, Hungary and Rumania in 1958, and should restore to some extent the traditional export surpluses of Czechoslovakia, eastern Germany and Poland (see Table 3).

Among other crops, the potato harvest in eastern Germany was practically unchanged from the very good 1956 level: it was considerably less than last year's record crop in Poland, and somewhat lower than last year in Czechoslovakia also. Elsewhere, there are reports of larger crops than in 1956. Estimates of over-all plant production indicate the exceedingly poor levels of output in Czechoslovakia for the second year in succession.

Gross agricultural output

Percentage changes over previous year

	1955	*1956*	*1957*	*Planned annual rate, 1956-1960*
Bulgaria				
Plant production . . .	12	–9	13 *	. .
Animal production . .	7	–2	6 *	. .
Czechoslovakia				
Plant production . . .	13	–1	–4	5
Animal production . .	5	7	3	6
Poland				
Plant production . . .	4	7	3	4
Animal production . .	3	7	6	5
Hungary				
Gross output (total) . .	18	–15	6	. .

Sources : Plans and plan fulfilment reports.

Both Czechoslovakia and eastern Germany continue to be heavily dependent on food imports. Czechoslovakia, practically self-sufficient in both grain and meat before the war, imported about one and a half million tons of grain both in 1955 and in 1956, and nearly 50 per cent more wheat in 1957 than in the previous year. Imports now supply over 20 per cent of total grain consumption and about 10 per cent of meat consumption, and eastern Germany's dependence on both meat and grain imports is on a similar scale.

Stock-breeding

The 1956 crops of feed grain were well above the average for the previous five years in the Soviet Union and slightly lower in eastern Europe, but in these countries the weather in 1957 was favourable for grazing and other fodder production (with Czechoslovakia, once again, an exception), and feed imports also generally rose. Cattle numbers were stabilized or fell slightly in eastern Europe [9] but increased in the Soviet Union, and yields generally improved. The particularly good 1957 harvest of coarse grain in eastern Europe provides a basis for a resumed growth of livestock numbers or further improvement in yields in 1958, but in the Soviet Union feed grain did particularly badly last year and the maize crop fell by more than 40 per cent.

In the Soviet Union, as Table 4 shows, the gross output of milk and the procurement of meat in 1957 were substantially better than in 1956, and milk yields per collective farm cow were stated to be 1,858 kg. compared with 1,611 kg. in the previous year.[10] The increment of 12 per cent in state procurement of meat was entirely made up of pork (pig numbers having risen 15 per cent at the autumn count). Slaughterings of young cattle were diminished to provide fuller grown fat stock for the coming year,[11] and sheep killings were also reduced, but with an eye to future wool rather than to mutton. A comprehensive plan to develop sheep-breeding for wool was launched in May, and mutton figured little in the programme (published during the summer) designed to exceed United States meat production by 1960–1962 (and milk output in the coming year). As the following targets show, the programme rests chiefly on beef and pork.

---

[9] In Hungary, cattle and pig numbers in October were still 10 per cent below the October 1956 level.

[10] The increase since 1954 (1,072 kg.) and 1955 (1,315 kg.) is so large (herds having also expanded) as to suggest a substantial under-reporting of milk production in the past.

[11] The 1958 meat procurement plan is 14 per cent above 1957, and that for other animal products (milk, wool and eggs) 12 per cent higher. These increases are envisaged despite the abrogation of quotas from private plots. (See below.)

TABLE 4

Output and sales of livestock products in the Soviet Union

Product	Year	Gross output	Marketed output					
			Total	State procurements				Sales on 251 farm markets [a]
				Total	State farms	Collective farms	Private plots	
Meat [b] (millions of tons)	1953	9.4	5.4	3.7	0.6	..	..	0.4
	1955	..	..	4.1	0.8	2.7	0.6	0.5
	1956	10.7	6.2	4.4	0.6	3.0	0.8	..
	1957	12.9	..	5.0	1.1	2.9	1.0	..
Milk [c] (millions of tons)	1953	36.5	13.7	10.6	1.9	..	..	0.3
	1955	..	..	13.5	2.4	8.6	2.5	0.5
	1956	49.1	20.4	17.3	2.7	11.7	2.8	..
	1957	54.7	..	20.5	4.3	13.8	2.4	..
Wool [d] (thousands of tons)	1953	235	198	197	33	..	..	—
	1955	..	..	231	..	..	..	—
	1956	261	223	246	41	178	27	—
	1957	..	..	280	76	17.0	34	—
Eggs (billions)	1953	16.1	..	..	..	..	..	0.5
	1955	..	..	2.9	..	..	..	0.7
	1956	19.5	..	3.3	..	..	..	..
	1957	..	..	4.3	0.9	..	..	..

Sources : See Appendix B.

[a] Including commission sales in co-operative shops.

[b] Including lard; data in live-weight equivalent.

[c] Including all other dairy products in milk equivalent.

[d] Greasy basis; includes goat and camel hair.

	1956	*1960-62 Plan*
	Millions of tons	
Beef and veal	2.2	7.2
Pork	2.6	10.0
Mutton	0.8	1.2
Poultry	0.5	1.5
TOTAL	6.1	20.0

Sources : Speeches by Mr. Khrushchev of 22 May and 2 June 1957.

This programme appears to imply an almost 50-per-cent increase in slaughterings of beef cattle and an increase of more than 100 per cent in their average slaughter weights; for pork, annual slaughterings are apparently to be nearly trebled, and average slaughter weights increased by about 30 per cent. The implied additional need for feeding-stuffs is formidable.

In eastern Europe, meat marketings were everywhere larger than in 1956 (see Table 5), but the ratio of pork to beef (mutton being little produced) remained the same. The only exceptions were Hungary, where the share of pork fell, and Albania, where it rose. In Czechoslovakia, the rise in beef output is stated to have been achieved in part by excessive slaughterings — owing, presumably, to shortage of fodder. Most governments are continuing policies of raising cattle numbers, and there was a general tendency in the price changes in January 1958 to increase the relative prices paid for beef and veal.

Agricultural Policies in Eastern Europe

Good weather and higher yields can claim much of the credit for the rise in agricultural output which occurred in all eastern European countries except Czechoslovakia and eastern Germany, but it is nevertheless striking that the upheavals in Polish and, to a lesser extent, Hungarian farming had apparently no adverse effects on output, even in the short run. The almost complete disappearance of co-operative farms in Poland meant that property had to be redistributed and work reorganized on about 10 per cent of the country's agricultural area. This was accomplished, and about 200,000 additional hectares of fallow land were brought into cultivation with sufficient success to induce the Government to decide to sell to peasants in 1958 another 500,000 hectares of agricultural reserve land and land belonging to state farms.[12] In Hungary, also, peasant farming was successfully resumed where the Government had acquiesced in the dissolution of co-operative farms.

The complete or partial abolition of compulsory deliveries in Hungary, Rumania and Poland in 1956 was followed by further relaxations, such as those

---

[12] For a discussion of changes in Polish agricultural policy up to the end of last year, see " The Polish Economy since 1950 " in the *Economic Bulletin for Europe*, Vol. 9, No. 3.

TABLE 5

Marketed output of livestock products in eastern Europe

Country and product	Unit	1955	1956	1957		1960
		Actual	Actual	Plan	Actual	Latest plan
Bulgaria [a]						
Meat — total output	Thousand tons of live weight	356	399	400	..	..
Milk — total output	Thousand tons	721	774	940	859	..
of which : Cow's milk		370	443	..	500	..
Yield per cow	Litres	644	788	..	860*	..
Eggs	Billion	0.81	0.84	0.90	..	..
Czechoslovakia						
Meat	Thousand tons of live weight	768	858	887	900	1 044
of which : Beef		272	293	299	312	374
Pork		455	523	565	543	605
Cow's milk [a]	Million hectolitres	34.2	36.0	39.2	36.3	47.7
Yield per cow [a]	Litres	1 616.2	1 715.9	..	1 733 *	2 230.0
Eggs	Billion	1.73	1.90	2.08	2.06	2.52
Eastern Germany						
Meat	Thousand tons of live weight	870	866	866	923	1 030
of which : Pork		637	641	..	678	730
Cow's milk	Thousand tons	3 378	3 302	3 425	3 540	4 150
Yield per cow [a]	Kg	2 394 [b]	2 367	..	2 508 *	2 800
Eggs	Billion	1.03	1.17	..	1.47	1.62
Hungary						
Meat	Thousand tons of live weight	384	426	..	434	..
of which : Beef and veal		157	172	..	202	..
Pork		172	222	..	208	..
Cow's milk	Thousand tons	509	529	..	511	..
Eggs	Billion	0.43	0.43	..	0.37	..
Poland [a]						
Meat	Thousand tons of live weight	1 703	1 905	..	2 067	2 129
of which : Beef and veal		443	506	478	509	..
Pork		1 183	1 333	1 366	1 473	1 540
Cow's milk	Million hectolitres	96.15	99.79	105.3	105.78	122.5
Yield per cow	Litres	1 763	1 782	1 830	1 850	1 980 •
Eggs	Billion	4.16	4.25	..	4.21	..

Sources : Plans; plan fulfilment reports; statistical yearbooks and bulletins; *Otechestven Front*, 27 January 1957; *Rabotnichesko Delo*, 28 December 1956; *Mladá Fronta*, 22 December 1957; *Za Socialistické Zemědělství* No. 8, 1957, p. 510; *Rudé Právo*, 5, 16 and 19 January 1958; *Népszabadság*, 28 January 1958; *Zycie Gospodarcze*, No. 48, 1957; direct communications from Governments.

NOTE. – The standard sources described in this and subsequent tables are cited in Appendix B.

[a] Gross output (including in the case of milk that fed to calves).

[b] On a revised method of computation (former calculation showed 2,450).

permitting greater choice of the products to fill the remaining quotas, and the possibility of paying arrears in cash rather than in kind. Everywhere prices for obligatory or contractual deliveries were raised substantially and farm incomes rose, as a result of both higher output and higher prices, by anything from 10 per cent to 25 per cent in money terms (see Table 6), and real incomes also increased significantly.

In most countries, farmers were encouraged, by offers of credits to supplement their own resources and by better supplies of fertilizers and building materials, to plough back some of their increased profits into their farms. In Poland, a very considerable part of the increase of roughly 10 per cent in real farm incomes was absorbed by purchases of building materials, machinery and land, and by expenditure on land improvement, fertilizers, etc., or by savings

TABLE 6

Co-operative farms in eastern Europe

End-of-month figures

		Number of co-operative farms (Thousands)		Incorporated households (Thousands)	Area of co-operative farms (Thousand hectares)		Percentage of total area	
		Advanced-type farms	Total		Advanced-type farms	Total	Co-operatives	Socialist sector
Albania	1956 December	881	881	37	142	142	31	34
	1957 July	1 432	1 432	57	213	213	46	50
	December	1 698	1 698	73	267	267	58	61
Bulgaria	1956 December	3 100	3 100	911	3 704	3 704	77	..
	1957 October	3 158	3 158	996	4 140	4 140	87	90
	December	3 202	3 202	1 000	..	..	..	..
Czechoslovakia	1956 December	8 016	8 172	395 [a]	2 237	2 239	30	47
	1957 December	11 090	11 249	659 [a]	3 437	3 482	47	66
Eastern Germany	1956 December	5 260	6 281	220 [b]	1 413	1 501	23	30
	1957 September	5 440	6 399	224 [b]	1 511	1 587	25	33
	December	..	6 691	230 [b]	..	1 632	25	34
Hungary	1956 June	3 911	4 863	343	1 268	1 426	21	..
	December	1 617	2 089	119	520	597	9	..
	1957 December	2 607	3 465	164	685	816	12	..
Poland	1956 September	..	10 203	228 [b]	..	2 009	9	22
	1957 December [c]	..	1 828	30 [b]	..	249	1	13
Rumania	1956 December	2 565	10 710	684	1 066	1 844	13	38
	1957 September	2 687	13 065	1 112	1 352	2 711	20	48

Sources: Plan fulfilment reports, statistical yearbooks and bulletins, *Rudé Právo*, 9 January 1958, *Rabotnichesko Delo*, 11-14 December 1957, *Zemedelsko Zname*, 3 December 1957, *Zeri i Popullit*, 28 July, and 25 and 31 December 1957; *For Socialist Agricultural Science*, Series B, No. 4, 1957, *Neues Deutschland*, 26 January 1958.

NOTE. — Area relates to agricultural area except in Albania and Bulgaria, where it relates to arable area.

[a] Membership; advanced-type of co-operatives only.

[b] Membership.

[c] Except for the second column, approximate numbers.

in anticipation of later investment.[13] In Hungary and Bulgaria also, higher farm investment appears to have absorbed part of the rise in income, but in Czechoslovakia and eastern Germany, consumers' goods seem to have been preferred.

Concurrently with the progressive substitution of price incentives for administrative pressures as a means of regulating output, the collectivization drive has been intensified during the last six months of 1957 everywhere except in Poland.

The economic advantages given to co-operative as compared with private farms have everywhere been maintained or augmented. These include lower obligatory delivery quotas or higher prices, better supplies of means of production, prior claims on the services of machine and tractor stations (MTS) and lower charges for them, investment grants and more generous bank credits. New inducements in Bulgaria, Czechoslovakia, and Hungary include collective farm statutes giving greater independence in management to the farm members; and, in Albania, all co-operative farm members and those who join such farms by 31 May 1958 are excused from meeting arrears of taxes and delivery quotas. Other forms of persuasion and

---

[13] The energy with which peasant farming has been resumed in Poland is demonstrated not only by production results, but by the rise in prices of land and of farm stock:

	Average prices in June		
	1955	*1956*	*1957*
Land (zlotys per ha)	13,690	15,477	20,646
Working horse	2,921	4,070	8,196
Year-old heifer	1,357	1,629	1,916
Piglet	271	262	316

Supplies of certain materials to agriculture were increased as follows:

	1956	*1957*
Bricks and tiles (millions)	496	575
Cement (thousand tons)	606	988
Lime (thousand tons)	297	451
Nitrogen fertilizers [a] (thousand tons)	163	195

Source: Gospodarka Planowa, No. 1, 1958.

[a] Supplies of other fertilizers were unchanged.

pressure seem to have been stepped up, particularly in the second half of last year, and in several countries new regulations have been issued designed to reduce the amount of effort within the co-operative farms that goes into cultivation of private plots.

As can be seen from Table 6, collectivization is now practically complete in Bulgaria, with 90 per cent of the country's arable area under co-operative or state farms, and it is planned to collectivize the remainder — mainly small farms in mountainous regions — over the next three years.

The most sudden extension of co-operative farming, however, took place in Czechoslovakia, and the results are illustrated by the figures in Table 7. With one-third of the country's agricultural area under co-operative farming in mid-1953, the pressure for further collectivization was relaxed, and some co-operative farms were actually dissolved. Between the end of 1954 and mid-1957 the number of co-operative farms was more than restored to the former peak level, but this was done by setting up smaller farms than in the earlier period. The average number of former private farms incorporated in each co-operative in mid-1957 was 29 as compared with 42 in mid-1953, and neither the total number of former private farms incorporated in the co-operatives nor the area covered by them was restored to the mid-1953 level. In the last six months of 1957, however, a tremendous drive for collectivization resulted in the establishment of an additional 2,500 co-operative farms (absorbing about 150,000 individual farms) and the addition of 1.1 million hectares to the area under co-operative farming. Owners of relatively large farms, as well as those with dwarf farms, seem to have been regarded as equally suitable new members of co-operatives, and even people working in towns but owning tiny farms of a hectare or less have been pressed to join.

TABLE 7

Advanced-type co-operative farms in Czechoslovakia

	Mid 1953[a]	End 1954	Mid 1957[b]	End 1957[c]
Number of farms	7 129	6 502	8 553	10 931
Former private farms incorporated (thousands)	297	221	252	422
Average size of co-operative farms (ha)	352	293	274	309
Total area covered (thousand ha)	2 507	1 903	2 347	3 376
Percentage of total area of country	34	26	32	46
MTS machines per thousand ha of co-operative farms : [d]				
Tractors (15 h.p. units)	9	12	13	..
Binders	21	25	16	..
Potato diggers	14	18	32	..
Work performed by MTS for co-operative farms [d] *(Index):*				
Total	100	104	143	..
Ploughing	100	85	94	..
Harvesting	100	85	93	..

Sources : *Statistický Obzor*, No. 10, 1957; *Statistické Zprávy*, No. 4, 1957; and No. 1, 1958; *Statistical Yearbook*, 1957; *Rudé Právo*, 9 January 1948.

NOTE. — Area figures refer to agricultural land including private plots.

[a] 31 August.

[b] End June.

[c] End November.

[d] Appropriate agricultural year.

With nearly 50 per cent of the agricultural area of the country under co-operative farming — which is now being encouraged even in the mountainous districts — the very considerable changes of last year must involve some difficulties, even if only in the short term, in maintaining the rhythm of over-all agricultural production. One of the purposes of the collectivization drive is to release manpower from agriculture, and experience has shown that it is the younger and more productive workers who tend to leave. However, the scarce data available on the stock of equipment available in the MTS for work on co-operative farms in Czechoslovakia and on the work actually performed by the MTS suggest that it has not been possible to improve greatly the services provided, even when allowance is made for the fact that the calls of private farmers on the MTS may well have been reduced as a result of the absorption of so many of them into co-operatives last year.

Only Albania compares with Czechoslovakia in the rapidity of the collectivization drive undertaken last year, the results of which have apparently been the almost complete collectivization of the southern (Tosk) districts of the country with less change in the north (Geg).[15] In Rumania also, the number and area of co-operative farms were very considerably extended, and in Hungary the area under co-operative farms has been restored to more than half that of mid-1956, though the average size of farm is rather smaller.[16] In eastern Germany, however, a considerable campaign for collectivization seems to have had less effect than in other countries.

The renewed collectivization efforts in eastern Europe again brought to the forefront the role of MTS in agricultural policies. Contrary to the proposals in the Soviet Union to sell MTS equipment to the collective farms, and also to the similar decision taken in Poland one year ago, all other eastern European countries — particularly Czechoslovakia and eastern Germany — pursued a policy of strengthening the economic position of MTS. In both countries it was stated [17] that the political role of the MTS, which according to Mr. Khrushchev has now been played out in the Soviet Union (see below), remains or is even becoming increasingly important in these countries, which are still engaged in rapid collectivization of their agriculture. The MTS have in fact provided a means of applying differential taxation to private and to collective farms through varying charges for their services, in addition to their other functions.

---

[15] In the Geg districts, the littoral is more collectivized than the mountains.

[16] Great efforts to improve the efficiency of co-operative farms are being made in Hungary, by offering investment credits, improved supplies of fertilizers, etc., but the earlier encouragement given to the looser forms of co-operation seems to have been discontinued.

In Poland, government policy is concentrating on improving the efficiency of the remaining co-operative and state farms, while encouraging any form of co-operative activity promoted by individual farmers. Local associations of farmers (kólka rolnicze) have developed very rapidly during 1957 on lines similar to those existing before the war. By the end of the year, over 10,000 such associations were in existence, with about 300,000 members.

The local associations are voluntary and self-governing, and are organized into a national association. They avoid duplicating the activities of local governments, and their main concern is with the improvement of agricultural production. With this aim, they organize co-operation among their members in improving strains of seeds and breeds of livestock, in utilization of machinery and other equipment, in irrigation and building work and in other spheres. They arrange for advice on crop rotation and production methods and organize vocational training and village discussion of farming and other problems. Like independent farmers' associations everywhere, they are already becoming vocal partisans of the economic interests of their members; but reports suggest that they are also energetic in stimulating more enterprising and intelligent farming.

In addition to the activities of the associations, a considerable revival of less formal co-operation among farmers in the use of machinery etc. has been reported.

Farm Policy in the Soviet Union

Recent changes in agricultural policy in the Soviet Union have been related to some extent to the changes in industrial management discussed in section 6, below, as well as to the perennial problem of raising farm output; but although it was suggested that agriculture be administered by regional economic councils [18] in the same way as industry and building, only preliminary steps towards a devolution of the control of farming have yet been taken. The 1955 reform restricted centrally set plans to procurement quotas, leaving the farm, and the MTS which served it, the onus of deciding sowing and breeding patterns. In June 1957, the USSR Ministry of Agriculture convened a conference on the management of agriculture by zones [19] as a result of which 39 zones were delineated, but in the following January it was indicated that the measures proposed were still under study.[20] The system of agricultural supply was unified at the beginning of 1957, when deliveries of equipment and materials to MTS, state and collective farms, forestry stations, teaching institutes and farm experimental stations began to be made from regional stores; and these regional stores were recommended to buy so far as possible from their local regional economic council and only on orders from their clients.[21] Union-Republican governments received in 1957 [22] control over procurements of meat, dairy produce and eggs not required for minimum central distribution [23] — so that they would be directly interested in expanding their local production; and rural councils have been, and *raion* executives are to be, given extended influence over local farms (both state and collective).

A major change is foreshadowed in the proposal to permit collective farms to purchase tractors, cultivators, seed-drills and tilling machinery from the MTS.[24] These would become Repair-Technical Stations (RTS) for this equipment and would also hire machinery for drainage works or road-building which no farm would wish to purchase. Mr. Khrushchev's main supporting argument was that the political task enjoined on MTS during collectivization had been completed, so that the duplication of administration between MTS and farms was sheer waste.

To give the collective farms control of the machinery they need may well encourage more efficient use of the machinery than in the past; but there seems to be a danger of perpetuating the differences between the poorer and richer farms. The latter will be able to buy more equipment, and will thus have better opportunities of raising their efficiency still further, even though directing a greater share of the available equipment to the poorer farms might bring higher over-all returns. Farms' undistributed profits in 1958 should, however, exceed the value of the machines to be sold and deferred terms are available. Moreover, the revision in the 1958 budget of taxes on collective farms may have been designed in part to lessen this danger, as well as to remove some of the disincentive features of the old taxes. The new tax system not only ceases to discriminate against free market sales as compared with state procurement but also is to be levied on net income — instead of as before on gross income — and poor farms may be granted reductions or even exemption. It seems that once the rate is fixed according to the location[25] or status of the farm the tax will not be progressive with realized income, at least until the farm's classification is revised. The release of collective farmers and workers from obligatory deliveries from their private plots is an example of the abrogation of a particularly unpopular tax, which must have been extremely expensive to collect.[26]

---

[17] *Rudé Právo*, 30 January 1958, and *Neues Deutschland*, 31 January 1958.

[18] E.g., speech by Deputy S. A. Karavaev in the debate on the RSFSR Law on Reorganization (*Zasedania Verkhovnogo Soveta RSFSR*, 28-29 May 1957, p. 129).

[19] *Selskoe Khozaistvo*, 2 July 1957.

[20] *Soviet News*, 10 January 1958.

[21] MTS often received equipment for which they had no use. These stores are to be taken over by the new RTS.

[22] By decree of 25 October 1956 (*Sovetskaya Torgovlya*, No. 5, 1957, p. 36).

[23] Viz., supplies to Moscow, Leningrad, the deficitary areas of central Asia and the Caucasus, the armed forces, export and stockpiles.

[24] *Pravda*, 25 January, 28 February and 1 March 1958.

In introducing his proposal to sell MTS equipment, Mr. Khrushchev made a particular point of comparing the return to the State on MTS services (for which farms pay mostly in kind) and on state farms, and quoted the following figures on state outlay per quintal procured in 1956 (data on the procurement price range in 1955 have been added):[27]

Roubles per quintal paid for state procurements

	Directly from collective farms		MTS outlays repaid in kind	State farm produce
	Range of prices	*Average*		
Grain	..	53	85	33
Cotton (unginned)	80- 428	372	126	158
Sugar beet	..	24	11	16
Meat	150- 410	364	848	808
Milk	55- 120	97	180	127
Wool	140-2720	2 581	3 028	1 848

Only for meat and milk are the prices offered to collective farms lower than the costs of production on state farms, and for other crops they vary from nearly one and a half to over double the costs of state farm production. No final answer has yet been found to the problem of measuring collective farm costs, but the Government is convinced that if collective farm members were paid on the scale of state farm labourers, state farm costs would be much cheaper.

This has led to two new features of farming policy. First, collective farms have been recommended to pay their members on piece-rates rather than to distribute dividends from the year's profit,[28] or in effect to bring collective-farm practice closer to that of the state farms. Secondly, the new land in the reclamation areas is mostly state-farmed, and some collective farms in those zones have been persuaded to forgo their status, though Mr. Khrushchev (*Theses* of March 1958) has said this is not to become general.

---

[25] The rates of tax, hitherto uniform throughout the country, are now to be separately determined for each administrative region (oblast).

[26] Decree of 4 July 1957, which came into effect on 1 January 1958. Mr. Khrushchev pointed to the freeing of procurement officials that the repeal permits: the collection of 19 per cent of the meat, 16 per cent of the milk and 11 per cent of the wool and some eggs delivered to the state involved 17 to 18 million holdings, whereas the rest came from just under 90,000 farms.

[27] 1955 prices were communicated to the ECE secretariat as material for an article on Central Asia (published in the *Economic Bulletin for Europe*, Vol. 9, No. 3). Data relate to Central Asia but are likely to represent the country-wide range for different qualities and type of delivery (compulsory quota, contract or supplementary sales). Other data from *Pravda*, 25 January 1958.

[28] The rate will not have to be low enough to guard against a poor crop, since, according to Mr. Khrushchev's *Theses* of 1 March 1958, procurement quotas (with which MTS payments-in-kind will be compounded) will vary with the weather.

2. THE DEVELOPMENT OF INDUSTRY

The Global Plans and Results

The 1957 plans of the two most industrialized countries of eastern Europe — Czechoslovakia and eastern Germany — envisaged little further slowing down in the rate of industrial growth exhibited the previous year. But, as can be seen from Table 8, the gap between the annual proportional increments of producers' and consumers' goods (particularly wide in 1956) was intended virtually to close. A slackening in the rate of growth was planned in the Soviet Union but with no change in the ratio of consumers' goods to producers' goods. The countries with fewer industries set their sights considerably lower: in Bulgaria, the planned percentage increment of over-all industrial output was just over half that of 1956, and in Rumania and Poland rather less than half as great. The Hungarian plan, compiled just after the uprising and general strike, envisaged considerably less than the reattainment of the January-September 1956 level of output. The acceleration forecast in Albania would have brought the average of 1956 and 1957 to the rate set for the Second Five-year Plan as then in force, and may be attributed to the bunching of new projects starting operation in 1957.

A common element in the generally cautious output plans was the intention to encourage more concern with costs and to ensure a smoother flow of supplies at all stages of production, while at the same

TABLE 8

Indicators of industrial activity in eastern Europe and the Soviet Union

Percentage annual increment

	1955	1956	1957		1958	1956-1960
			Plan	Actual	Plan	Plan [a]
Albania						
Gross output	13	8	22	26	18	17.0
Industrial employment	7	..	5	12	9	3.4 [b]
Gross output per worker	6	..	16	13	8	10.1 [b]
Bulgaria						
Gross output	8	15	8	15	11½	..
of which : Producers' goods	7	17	10	9	12	..
Consumers' goods	9	13	7	18	11	..
Industrial employment	3	5	6	5 *	4½	..
Gross output per worker	5	9	2 [c]	8½ *	7	..
Cost of production	..	−6½	−3	..	−2½	..
Czechoslovakia						
Gross output	10	9½	8	10	8	9½
of which : Producers' goods	8	12	8	10	8	10
Consumers' goods	13	7	7	11	8	7½
Industrial employment	1½	2½	3	4	3	2½
Gross output per worker	8	6½	4½	6	4½	7
Cost of production	−5	−0.3	−2	−2½	−2	..
Eastern Germany						
Gross output	8	6	6 [d]	7½	7	6½
Gross output per worker [c]	7	8	..	5	..	6
Hungary						
Gross output	8	−9	..	17	..	..
of which : State sector	8½	−9	2½	11	7½	..
Industrial employment	2	3	..	—	..	..
Gross output per worker	6	−12	..	17	..	..
Poland						
Gross output	11	10	3½	9½	7	8½
of which : Producers' goods	11	9	2	9	6	8½
Consumers' goods	12	11	5	10	8	8
Industrial employment	4	4	2	4	3	4
Gross output per worker	7	5	2	4½	4	4
Rumania						
Gross output	14	11	4	8½	8	..
of which : Producers' goods	16	14	6	11	..	..
Consumers' goods	10	7	2	5	..	..
Industrial employment	3	2	−½	0	..	..
Gross output per worker	11	9	4	8½	..	..
Cost of production	..	−2	..	−2½	..	..
Soviet Union						
Gross output	12.4	10.6	7.1	10	7.6	10½
of which : Producers' goods	14.7	11.3	7.8	11	8.3	11
Consumers' goods	8.4	9.3	5.9	8	6.1	10
Industrial employment	4	3	1.8	3	2	2
Gross output per worker	8	7	5.2	6.5	5.4	8½
Cost of production	−4.6	−3.4 [e]	−2.8	−3.3	−2.5	−3½

Sources : Statistical yearbooks, plans and plan fulfilment reports; *Promyshlennost S.S.S.R.*, pp. 26, 29 and 32; *Dostizhenia sovetskoi vlasti za 40 let v tsifrakh*, p. 44; *Finansy S.S.S.R.*, No. 10, 1957, p. 14; and *Zeri i Popullit*, 9 February 1958.

NOTE. — The statistics cover all industry except in Albania and Czechoslovakia (state sector only) and Poland (state and co-operative sector only). Soviet index numbers on productivity which, as in all countries in the table, have been used to derive employment, exclude collective farm enterprises.

[a] Latest revised plan.

[b] Original plan.

[c] Centrally-managed socialized industry only.

[d] Of which producers' goods 6½, and consumers' goods 5½.

[e] Including effect of increased prices paid for agricultural raw materials.

time changing the pattern of growth somewhat in favour of the consumer. Such objectives implied a willingness to slacken, at least temporarily, the undiscriminating drive to expand output. In the countries where the planned slowing down was most marked, however, other factors — such as balance-of-payments difficulties in Poland, Hungary and Rumania and bad harvests in the last two countries and Bulgaria — enforced a cautious estimate of production possibilities. In these countries it was noticeable that plans for consumers' goods and basic materials were least affected by the general slackening.

In the event, industry everywhere did better than expected, and the increases shown were broadly those attained in 1956, though in eastern Germany and Albania the rise was even more rapid. Production of consumers' goods benefited most from the over-fulfilment of output plans — as can be seen from Table 8 and from the following figures for Czechoslovakia, eastern Germany and Hungary,[29] though in the Soviet Union and Rumania producers' goods were the larger beneficiaries. There is some evidence that the working up of raw materials imported from the Soviet Union for re-export to that country may have been a factor in the expansion in some eastern European countries.

Gross output of state industry in 1957 as percentage of 1956

	Czechoslovakia	*Eastern Germany* [a]	*Hungary* [b]
Electricity	107.7	104.6 [c]	94.0
Mining	111.1	104.3	78.9
Metallurgy	108.5	106.1	87.9
Engineering . . .	110.7	105.6	88.7
Chemicals	113.8	107.3	103.7
Building materials	116.0	110.7	91.4
Wood processing .	108.3	108.8	107.1
Textiles	109.7	107.3	98.9
Clothing	112.5	121.2	110.0
Leather	119.3	106.8	117.9
Paper	106.7	106.8	97.8
Printing	104.7	106.2	106.1
Food	108.1	106.0	102.4
TOTAL . . .	110.2	106.6	97.2

[a] Including private industry, January-September averages compared.

[b] Monthly average 1957 as percentage of monthly average, January-September 1956.

[c] Including gas.

Such data as are available on the 1958 plans in eastern Europe suggest that in Albania, Bulgaria, Czechoslovakia, Hungary and Poland the authorities are not counting on being able to maintain the previous year's rate of growth. The practically equal rates of expansion predicted for producers' goods and consumers' goods in Bulgaria and Czechoslovakia, and the faster growth of consumer-goods output in Poland, continue last year's trends. In the Soviet Union, the over-all target is also lower than the rate of growth achieved in 1957, but producers' goods are still the most rapidly expanding sector.

Supplies of Materials in eastern Europe

The crucial factor in the bettering of the 1957 plans in eastern Europe was improved supplies of materials, but their more flexible allocation also made a sensible contribution. The devolution of executive responsibility, both where formally implemented (see section 6) and where it was simply a relaxation of the strain under which factory managers made their decisions, also played a part, as did the deliberate shift of supplies from material-intensive to labour-intensive sectors, including handicrafts which were expanded particularly in Bulgaria, Hungary and Poland.

The increase of raw-material imports was spectacular in comparison with the poverty of the previous year [30] (see Table 9). The signs of a good harvest not only assured governments of inputs from domestic sources, but permitted them to ease the strings of foreign-exchange purses in the certainty that either future imports of foodstuffs would be lower or exports of farm produce higher; and new foreign credits supplemented domestic resources in Hungary and Poland especially (see section 3). Moreover, there is evidence (in the larger sales of Soviet gold in western Europe during 1957 [31]) that the Soviet Union paid for a significant proportion of its imports from eastern Europe in convertible currencies. Thus supplies of cotton, rubber and hides in particular were permitted to improve immensely.

Eastern Germany, Czechoslovakia and Poland increased their imports of iron ore, and Czechoslovakia also more than doubled imports of rolled steel [32] and cut exports by 15 per cent. Eastern Germany also increased its rolled steel imports and moreover substantially expanded purchases of pig iron as an alternative to coke and iron ore. Hungary bought two-thirds more steel sheet than in 1956, while cutting its exports of aluminium in the same proportion. In eastern Germany, supplies (home and

---

[29] The improvement in the consumer-goods sectors in these countries would be more marked if output of private industry were included.

[30] The Polish Deputy Prime Minister, Mr. S. Jedrychowski, stated in this respect: "Many industrial branches and enterprises have almost unlimited possibilities to increase output as far as supplies of raw materials are concerned. This refers first of all to metallurgy, many engineering plants, textiles, processing of fats and oils and food processing industries." (*Zycie Partii*, No. 12, 1957, p. 7.)

[31] The previous heavy gold sales (1953-1954) were motivated by Soviet needs for foreign purchases.

[32] Increased Soviet capital allocations to metallurgy in the 1958 Plan may be partly a response to this foreign demand: the Plan increases investment in iron ore mines by 73 per cent, and in iron and steel mills by 40 per cent.

TABLE 9

Imports of some industrial raw materials in eastern Europe in 1957

Commodity	Bulgaria		Czechoslovakia		Eastern Germany		Hungary		Poland	
	January-September		January-December		January-December		January-December		Jan.-Dec.	Jan.-Sept.
	Thousand tons	Increase over Jan.-Sept. 1956	Thousand tons	Increase over Jan.-Dec. 1956	Thousand tons	Increase over Jan.-Dec. 1956	Thousand tons	Increase over Jan.-Dec. 1956	1956 Thousand tons	1957 Thousand tons
Cotton	17.3	49	78	−7	58.6 [b]	28 [b]	38.4	−4	85.8	68.8
Wool	1.8	7	18	17	11.2	34	3.5	−1	15.9	14.4
Rubber	7.3	54	38	14	13.1 [b, d]	74	13.0	20	33.8 [g]	32.4 [g]
Raw hides . . .	0.8 [a]	81	102.5 [b, c]	53 [b]	15.1 [b]	39 [b]	11.6	44	36.2	26.0
Iron ore	—	—	4 918	26	1 591	17	1 308	17	4 776	4 426
Pig iron	83.3	−14	154.5 [b]	−2 [b]	444	29	110.6	−7	—	—
Rolled steel . .	. .	. .	230.9 [b]	127 [b]	923	17	18.7 [e]	57	. .	. .
Copper	3.8	−38	. .	. .	. .	. .	10.5	12	. .	. .
Aluminium . .	1.4	23	. .	. .	15.3 [b]	133 [b]	[f]	[f]	. .	. .

Sources : Direct communication from governments and *Biuletyn Statystyozny*, Warsaw, No. 12, 1958, p. 30; *Rudé Právo*, 7 and 18 February 1958.

[a] Thousand dm².

[b] January-September.

[c] Thousand kčs.

[d] Export of synthetic rubber amounted in the same period to 31,800 tons — i.e., 9 per cent above exports in the comparable period of 1956.

[e] Sheets only; Hungary exports steel plate.

[f] Export of rolled aluminium products amounted within the period to 4,300 tons — i.e., 59 per cent less than in the comparable period of 1956.

[g] Natural and synthetic rubber.

imported) of ferrous castings rose 12 per cent, of rolled steel 16 per cent and of rolled aluminium 30 per cent.

This added inflow permitted the reconstruction of stocks. In Poland, the monthly average of stocks of industrial raw materials [33] was no less than 20 per cent greater than in 1956; and since gross industrial output rose by 9 per cent, the proportion of goods in the pipeline was clearly much improved. In Czechoslovakia, stocks of rolled steel held by the motor vehicle and farm machinery industries rose from 54 days' consumption on 1 January 1957 to 72 on 1 September, by metallurgical plants and ore mines from 32 to 39, by precision engineering from 103 to 119, and by transport enterprises from 72 to 101. [34] Engineering inventories rose in value in eastern Germany by about 20 per cent during the first nine months of 1957, and stocks of brown coal rose by 60 per cent over the year — though from a desperately low level. In Hungary, stocks were built up early in the year, thanks to large imports, but by the end of 1957 were falling again.

Despite the general improvement in raw material supplies, however, shortages continued everywhere to restrict the full use of labour and capacity in some sectors.

A certain reallocation of supplies away from the most material-intensive sectors may be distinguished in the following eastern German statistics, and everywhere there was a slow-down in defence production which freed metal supplies (notably special steels) and engineering capacity for civilian uses.

Percentage changes between 1956 and 1957 in engineering output in eastern Germany

(January-September)

Heavy engineering	−2
General engineering	+3
Motor vehicles	+6
Shipbuilding	−21
Castings and forgings	+11
Metal goods	+12
Electrical engineering	+17
Precision engineering and optics	+10
Total metal-using industries . .	+6

Source : Vierteljahreshefte zur Statistik, No. 4, 1957.

Two sectors in eastern European industry which were among those benefiting most from the improvement and reallocation of supplies were metal consumers' goods and textiles. Contrasting with very patchy performances in 1956, when output in Czechoslovakia, eastern Germany and Hungary fell, production of leather footwear also rose in proportions ranging from around 10 per cent in Poland and Rumania to nearly one-third in Bulgaria, Czechoslovakia and Hungary, and only in eastern Germany, where imports increased, was the rise in output insignificant. The food-processing industries generally showed increases of output comparable with or higher than those of last year, except in Czechoslovakia.

---

[33] Notably of oil products, ores, rolled products, steel scrap, industrial fats and oils, wool and cotton.

[34] *Plánované Hospodářství*, No. 10, 1957.

TABLE 10

Output of metal-made consumers' goods in eastern Europe and the Soviet Union

	1955	1956	1957
	Thousands	Percentage annual increment	
Sewing machines			
Soviet Union	1 610.9	19	18
Czechoslovakia	78.15	−17	38 [a]
Eastern Germany	214.7	−3½	..
Poland	56.95	119	..
Rumania	10.00	154	..
Washing machines			
Soviet Union	87.0	125	93
Czechoslovakia	205.9	23	15
Poland	28.14	142	94
Domestic refrigerators			
Soviet Union	151.4	48	38
Bulgaria	0.95	−13	..
Czechoslovakia	30.55	90	14
Eastern Germany	17.33	38	..
Poland	3.41	79	..
Radio sets			
Soviet Union	3 529.9	8	−6
Bulgaria	66.2	39	18
Czechoslovakia	102.3	115½	15
Eastern Germany	724.7	−10	..
Hungary	377	−7	28
Poland	461.2	8	30
Rumania	89.4	16½	6 [b]
Motor cars			
Soviet Union	107.8	−9	16
Czechoslovakia	12.5	100	38
Eastern Germany	22.2	27	26
Poland	4.0	52	68
Motor-cycles			
Soviet Union	244.5	22	12
Czechoslovakia	95.8	17	24
Eastern Germany	69.2	14½	13
Hungary	16.5	71	24
Poland	30.1	51	37
Bicycles			
Soviet Union	2 883.8	8	6
Czechoslovakia	293.9	18	−2½ [a]
Eastern Germany	723.8	−4	..
Hungary	217	−14	5
Poland	166.7	11	12
Rumania	27.7	53	..

Sources : Plans, plan fulfilment reports, statistical yearbooks and bulletins.

[a] First eleven months compared with same period of previous year.

[b] First nine months compared with same period of previous year.

Consumers' Durable Goods

Though per capita supplies everywhere are relatively still small, engineering plants in the Soviet Union and eastern Europe have since 1955 rapidly increased their output of certain consumers' durable goods (see Table 10). Production of washing machines quadrupled in the Soviet Union and Poland, and that of refrigerators doubled in the same countries and in Czechoslovakia, while output of motor-cycles in Hungary and Poland and of radio sets in Czechoslovakia more than doubled. These and other increments in the output of metal-made consumers' goods partly reflect the freeing of engineering capacity from defence production and more such transfers are expected.[35] The production cuts among these goods in eastern Germany in 1956 seem to have been occasioned by a revived priority for capital goods in the engineering sector and by a contraction of export demand.[36] These conditions were reversed in 1957, and output rose again: more resources were granted to consumption (see section 4), and similar policies elsewhere permitted other eastern European trade agencies to place bigger orders for consumers' goods. The declines in Hungarian production caused by the stoppage during the uprising were slight and rapidly restored.

Production of motor-cars increased everywhere in 1957 and was one-quarter greater than in 1956 and one-third greater than in 1955.

The major exception to this general expansion was radio sets in the Soviet Union, the only consumers' goods (apart from fish) among the two score listed in the 1957 Plan Fulfilment Report whose output declined. Production of receivers for television was 19 per cent larger than in 1956, but for sound broadcasting was down by 6 per cent. It is likely that the saturation point has been reached for radios, at present income and price levels. In 1956 there were 17.3 million sound radio receivers installed in urban areas,[37] or nearly one per dwelling, and in the countryside there is one receiver for every 2½ families, although about three-quarters of them were for wired broadcasting. It seems now to be the policy to encourage television purchase, and the price for a television set (reduced in July 1955, August 1956 and January 1958) is now equal to that of a standard radio (though, of course, loud-speakers for relay reception are cheaper).

Textiles

The Soviet output of all fabrics in 1957 was 3½ per cent more than in 1956, but only 1½ per cent larger than in 1955, with a rapid expansion of man-made fibres and a decline in cotton output. Between 1955 and 1957 production of man-made fibres rose by 35 per cent; and imports of natural raw silk [38] from China, where output has revived to pre-war levels, permitted the aggregate of silk and artificial fibres to rise in the past two years by no less than 53 per cent.

---

[35] A further source of expansion of metalware (notably utensils) in eastern Europe is the output of small craftsmen: the relaxation of discrimination against such producers has been the prelude, and supply of raw materials the condition, of such expansion. No data whatever are available on production of utensils and cutlery in the Soviet Union later than 1955 (when the special two-year plan was heavily under-fulfilled).

[36] Except for motor-cycles, foreign orders of which increased.

[37] *Transport i Svyaz S.S.S.R.* 1957, p. 244-7.

Production of cotton textiles was in both years less than in 1955, although the raw cotton crop had shown a slight expansion (see Table 2). Net exports of ginned cotton in 1956 represented some 15 per cent of the domestic supply [39] and probably increased in 1957. The Five-year Plan directives had envisaged the doubling of this share in support of eastern European plans for a 30 per cent increase in cotton fabric output.[40]

In the early post-war years and until about 1953 there was a flourishing commission trade in cotton between the Soviet Union and eastern European mills. At the end of 1953 the Soviet government launched a special two-year plan for re-equipping its own textile mills and rapidly expanding its production of fabric. In the event the target for new capacity was less than half implemented,[41] and although imports of textile machinery were quickly increased, they were soon scaled down again.[42] Furthermore, 1956-57 Soviet production of spinning machinery was 10 per cent, and of looms 15 per cent, below the 1954-1955 level, and the first recorded Soviet exports are about to take place [43] even though replacement demand is very large as a consequence of the age of the stock and past neglect.[44] The 1958 Plan envisages a smaller increment in spindle and loom capacity than the average during 1951-1955.

These developments suggest that the Soviet Union may be forgoing some expansion of its own mills to permit the use of spare capacity in eastern Europe, which may also explain the fact that reductions in capital supplies to the textile industry have been paralleled by substantial increases in allocations for cotton-growing — incited, it would appear, by a 1957 crop only one-tenth better than the preceding seven-year average. A conference on cotton, convened in Tashkent in October 1957 and preparatory to an all-Union conference held in February 1958, was told of the scaling down of expectations and the measures envisaged to improve the situation: more efficient use of water,[45] various major reservoir and river-control schemes and the supply of much more machinery for cotton cultivation. All will require substantial investment, and the first implementation was shown in the 1958 Plan for Uzbekistan — the biggest cotton supplier — in which capital allocations for agriculture (specified as chiefly for cotton-growing) exceed one billion roubles, or almost half the sum originally allotted for the whole of the 1956-1960 period. Even so, the new target for 1965 is little more than the original goal for 1960,[46] although 12 to 15 years hence a crop of 9 million to 10 million tons is forecast.

In eastern Europe the 1956 cuts in imports of fibres were more or less restored and 1957 textile output was roughly back to the 1955 level. The policies of the early 1950s fostering domestic cotton-growing have been abandoned:[47] a few hundred hectares of plantations remain in Hungary; 60,000 hectares (against 185,000 in 1953) were sown in Bulgaria in 1957 though output in 1957 was still sufficient to supply half the country's needs; and Rumania grows about one-tenth of its consumption (against nearly half four years ago).

Cotton fabric output in eastern Europe was in aggregate about 1½ per cent below the 1955 level, but nearly 4 per cent above that of 1956, only Hungary and Rumania [48] not having regained that level. Production of woollen fabrics was 4 per cent greater than in 1955

---

[38] As Table 2 shows, domestic procurement fell slightly.

[39] In 1956 the Soviet Union exported 310,000 tons and imported 51,400 tons; domestic procurements (see Table 2) were some 1.4 million tons. This trade is also discussed in Chapter VI.

[40] See the *Economic Survey of Europe in 1956*, Table XXIX.

[41] For the plan see *Izvestia*, 28 October 1953. In 1954 and 1955 cotton spindle capacity rose by 539,000 compared with a planned gross installation of 1,602,000 and the loom stock rose by 14,200 against a planned new installation of 45,100 (planned retirements were not announced). Rayon was most favoured and linen disfavoured (by the actual withdrawal of looms instead of a planned installation of 1,050) (*Promyshlennost S.S.S.R.*, 1957, p. 342).

[42] Soviet imports of textile machinery from the United Kingdom (previously zero) have been as follows (in £ millions): 1954, 0.61; 1955, 4.48; 1956, 2.10; 1957, 1.43.

[43] To Egypt of 15,300 spindles in each of the years 1958, 1959 and 1960. In 1958 this is equal to 7 per cent of deliveries to home mills.

[44] The 1939 depreciation charges for the cotton mills of Ivanovo and Leningrad, where nearly all were situated, were respectively 0.9 and 0.4 per cent of the value of capital installed (*Problemy Ekonomiki*, No. 11/12, 1940, p. 175). This implied that most of the equipment had already been written off.

[45] This involves large investment, some of it of a kind never contemplated in any other cotton-growing country — concreting irrigation channels, installation of automatic sluices, covering of drainage channels and the use of hose spraying. Eventually it is hoped to utilize 80-85 per cent of irrigation water.

[46] Unginned cotton crop (in thousands of tons):

	Uzbekistan	*Tadzhikistan*	*Turkmenia*	*USSR*
1955	2 551	373	276	3 850
1956	2 858	415	334	4 330
1957	2 750	435	372	4 210
1958 (new plan) . . .	3 000	450	410	4 660
1960 (Five-year Plan) .	3 740	677	580	6 200
1965 (new plan) . . .	4 000	600	560	6 300

Sources : Pravda, 27 December 1957, 13, 17-24 February 1958 and Table 2.

NOTE. — Data for 1955-1957 are procurements but for 1958-1965 are planned crops.

[47] Except in Albania, which in 1957 had a record crop and where — according to a government statement earlier in the year — the 1960 target is some two-thirds greater.

[48] Estimate based on nine months' output.

TABLE 11

Average annual percentage rates of growth in output and consumption of primary energy in eastern Europe [a]

Country	1950 – 1955		1955 – 1960	
	Output	Consumption	Output	Consumption
Bulgaria	13	13	6	7
Czechoslovakia	6	6½	8½	8
Eastern Germany	7½	7	3½	4
Hungary	11½	12	−½	2½
Poland	4	7	2½	5½
Rumania	15	12	7½	9
Total of six countries	6½	7½	4½	6

Source: Appendix Table XLII.

[a] For production: hard coal, brown coal, lignite, crude oil, natural gas and hydro-electricity have been taken into account; and for import or export surpluses (whence consumption), hard coal, brown coal, lignite, hard-coal coke, brown-coal coke, brown-coal briquettes, crude oil, petroleum products and natural gas (computed on the basis of hard-coal equivalent).

and 5 per cent above that of 1956, an aggregate embracing lower outputs in Czechoslovakia, Poland, Hungary and Rumania, but a significant expansion in eastern Germany. In the first two countries spinning capacity has now become a bottleneck, reflecting the neglect of investment in the past.

Supplies of Fuel

The major threat to industrial expansion, in the Soviet Union as in eastern Europe, continues to be shortages of energy. The energy surplus of the six eastern European countries as a group has been melting away throughout the current decade, but in 1955 it still amounted to about 20 million tons of hard-coal equivalent. By 1957, however, this surplus was only 7 million tons, and total consumption in that year rose for eastern Europe as a whole by 6 per cent (in terms of hard-coal equivalent) whereas output rose by 2 per cent (see Appendix Table XLII).

The difference was almost wholly met by imports from the Soviet Union to the energy-deficient economies and by a reduction in exports from energy-surplus economies. Imports of energy in 1957 into the net-importing countries were in aggregate 10 per cent of consumption or a somewhat higher proportion than in 1955. The exceptions were Czechoslovakia, where imports fell but the increase in home output of solid fuels was sufficient to provide for higher consumption, and Albania, where the country's first gusher opened a rich new oilfield and raised crude production from 266,000 tons in 1956 to 490,000 tons in 1957. Eastern Germany's dependence on imports grew by over 1 million tons of hard-coal equivalent, and Hungary, where energy output was 14 per cent below the 1955 level, increased imports by 3.7 million tons of hard-coal equivalent.[49]

It is clear that eastern Europe as a whole has practically reached the limit of the possibility of reducing net exports of energy in order to raise consumption within the region. It seems that the rate of growth of energy consumption in the current quinquennium is everywhere planned to be less rapid than in the 1951-1955 period, except in Czechoslovakia, in line with the deceleration in energy production (see Table 11).[50] This policy is not dictated by desires for autarky, but rather by inability to make foreign purchases elsewhere than in the Soviet Union, where availabilities are limited.

The total energy surplus of eastern Europe is expected to be practically unchanged in 1960 from the 1957 level; but this depends upon a reversal of the decline in the Rumanian export surplus that has been a feature of recent years, and upon maintaining Polish coal exports at about the average 1956-57 volume. It also presupposes a very rapid rise in Czechoslovak coal output as the fruits of past heavy investments are gathered, and a speeding up of the growth of output in eastern Germany, where progress has so far been slow. But even if this output target is reached the eastern German energy deficit seems likely to rise fast.[51] In Hungary, the forecasts imply a striking economy in consumption from now on (see Appendix Table XLII).

The Soviet export problem is mainly one of location, the fields (Donbas coal and Baku oil) available to export markets exhibiting declining reserves and relative efficiency; but it is also one of coal shortage, though exports are a very small part of output. A 21 per cent expansion of investment in 1957 assisted coal mines to increase production by 8 per cent in the same year, but although output was above plan, coal continued to be a bottleneck.

The Sixth Five-year Plan envisaged, within a declining over-all contribution of coal in favour of oil, a rapidly growing preference for Siberian coal and Urals oil; and subsequent changes have altered this balance sheet further in favour of Urals oil and gas. Whereas the 1960 target for natural gas was originally 40 billion cubic metres, the goal is now 60 billion,[52]

---

[49] While the decline following the disruption of coal mining in 1956 is of temporary significance, the disregard of rational conservation policies in the oilfields up to 1956 has a permanent effect.

[50] This appears from replies by governments to an ECE questionnaire on energy problems.

[51] From 1948 to 1956 investment in coal mining in Czechoslovakia more than quadrupled, and fuel was expected to take 13 per cent of all state investment in 1957. In eastern Germany, the fuel sector will take more than a quarter of all state investment in 1958.

[52] *Promyshlenno-ekonomicheskaya Gazeta,* 7 August 1957.

TABLE 12

Growth in production and in capacity installed of electric power in eastern Europe

Production in millions of MWh and capacity in thousands of MW

	1950	1951	1952	1953	1954	1955	1956	1957
	Output or capacity	*Index numbers 1950 = 100*						
Bulgaria								
Production	0.797	127	170	195	217	260	300	333
Capacity installed	0.157	163	183	190	220	263	298	..
Capacity installed as percentage of plan	..	..	..	..	..	..	*41*	..
Czechoslovakia								
Production	9.28	111	125	133	147	162	179	191
Capacity installed	2.80	103	108	112	123	142	150	157
Capacity installed as percentage of plan	..	*41*	*50*	*37*	*27*	*95*	*69*	*63*
Eastern Germany								
Production	19.5	110	119	125	133	147	160	168
Capacity installed	4.8	100	101	101	112	120	128	135
Capacity installed as percentage of plan	..	*53*					*78*	*66*
Hungary								
Production	3.00	117	140	154	161	181	173	180
Capacity installed	0.93	105	111	120	129	140	..	..
Capacity installed as percentage of plan	[a]	[a]	[a]	[a]	[a]	..	..	..
Poland								
Production	9.0	118	133	151	171	196	216	236
Capacity installed	2.75	100	106	129	139	152	159	178
Capacity installed as percentage of plan	..	..	..	..	..	..	*36*	*60*
Rumania								
Production	2.11	117	137	161	175	205	233	..
Capacity installed	0.74	106	118	128	150	165	180	..
Capacity installed as percentage of plan	..	*60*					..	..

Sources : Plan and plan fulfilment reports, statistical yearbooks, quarterly and monthly statistical bulletins, *Rudé Právo*, 6 February 1958.

[a] 69 per cent during 1949 to 1954.

and the oil target has also been increased (though not published). Investment in oil and gas extraction in 1958 is to be 30 per cent larger than in 1957 (when the increments were 10 per cent for oil and 35 per cent for gas), and will rise from 7 to 8.6 per cent of total state capital formation.

Electricity

Another bottleneck, in both the eastern European countries and the Soviet Union, is electric generating capacity. In all these countries the growth of electric power production has in recent years considerably exceeded the expansion of generating capacity (see Table 12). A more efficient use of capacity and smoothing the load have been carried as far as they may economically go and even further — to where they become an excessive strain on capacity or require a widespread introduction of night shifts. In the Soviet Union there was a small shortfall of 1½ billion kWh in the 1957 programme of 211 billion kWh but by the end of the year 8 turbines of the new Kuibyshev hydro-plant, 4 each at the new Irkutsk and Kairak Kum stations and the first turbine of the Novosibirsk hydro-plant had come into operation.

In eastern Europe the shortage of electric power was a brake on industrial production. In Poland output of power-intensive products (aluminium, carbide, certain alloys, nitrogenous fertilizer, etc.) had to be reduced during the peak demand season and the situation has been similar in eastern Germany since 1955. All eastern European countries are engaged in major power investment programmes: although — as Table 12 shows — the yearly instalments are always behind schedule, the annual increments are such as to promise the opening of this bottleneck in the next three years or so, except in eastern Germany.

Manpower and Productivity in Industry

Manpower was hardly a limiting factor in industry in 1957.[53] In the Soviet Union, the 1956 demobilizations (of which more are announced for 1958) contributed to an increase in the hired labour force of 2.1 million, against a plan for 1.7 million. The plan for industrial intake was over-fulfilled without this being required — as in many earlier years — to counterbalance a failure to attain productivity targets. The 1957 over-all productivity target seems, however, to have been set somewhat low,[54] and the rate of increase actually achieved was that implied as an annual increment in the Sixth Five-year Plan.

In eastern Europe, the more even flow of materials permitted, in many plants, the expansion of output without adding to employment, simply because manpower had been taken on with peak supply periods in mind. Productivity in terms of output per man-year rose slightly less rapidly than in the previous year, but faster than had been foreseen in the plans, and output per man-hour must have shown a more satisfactory development in most countries as working hours generally fell. In the two eastern European countries threatened by manpower shortages — Czechoslovakia and eastern Germany — the possibility of raising effective employment without taking on more workers is particularly valuable.[55] However, in Czechoslovakia, industrial employment in fact rose by 4 per cent (more than planned and more than in 1956), but no increase seems to have taken place in eastern Germany. In Hungary, new recruitment of industrial labour during the year only just offset, for the year as a whole, the effects of the outflow of refugees at the end of 1956 and the level in the last four months of 1957 was slightly above the previous peak.

As has been mentioned, there was a general reduction in working hours in 1957; and the working week was shortened in the Soviet Union, Czechoslovakia, eastern Germany, Hungary and, in mining only, in Poland. This was not counterbalanced by any increase in overtime,[56] and work on Sundays and public holidays was substantially reduced. In some countries, notably Poland and Czechoslovakia,[57] losses of time due to sickness or absenteeism increased partly because industrial discipline was relaxed, partly because sickness benefits improved, and partly because side-line occupations — such as private repair work, building or farming — became more attractive. In eastern Germany, however, losses of working time were substantially reduced, notably by diminishing breakdown and waiting time and required attendance at meetings, but also by a fall in unjustified absences.

---

[53] Shortages in difficult or dangerous occupations such as mining and quarrying persist everywhere, but these indicate unsatisfactory relative wages and conditions of work rather than over-all shortages of labour.

[54] Cf. SURVEY for 1956, Chapter I, p. 6.

[55] See Chapter VII, section 4.

[56] Unpaid overtime has been virtually eliminated, partly because governments have intimated to trade unions that in this respect they would wish them to take a stronger line with managements, and in Poland through the growing influence of workers' councils (see section 6, below).

[57] In Czechoslovakia, working hours lost in industry and building by sickness and accident rose from 6.58 and 6.70 per cent in 1955 and 1956 respectively to 7.00 per cent in 1957. Similar figures (for sickness only) in Poland show percentages rising from 3.73 and 3.99 in 1955 and 1956 to 4.62 in the first half of 1957.

3. THE DISTRIBUTION OF RESOURCES

In conformity with generally cautious estimates of output and pledges to raise consumers' incomes, the plans for 1957 everywhere envisaged a diminished share of accumulation (except, probably, in the Soviet Union);[58] and in Bulgaria, Hungary and Rumania the absolute volume of investment was planned to be less than in 1956. Among the countries providing for an increase of investment, Czechoslovakia and eastern Germany face the threat of labour shortage[59] while, in addition, the maturity of their capital stock implies heavy replacement needs and substantial increases in capacity are required in the energy sector and in some raw material branches which have lagged behind the over-all industrial development. Of the other countries which planned higher investment in 1957, the Soviet Union is in many respects in a similar situation to the two just mentioned, while in Poland the intention was to restrain state investment to provide more resources for private investment, particularly in agriculture and, to a lesser extent, in housing.

In the event, as has been mentioned, industrial production everywhere exceeded the levels planned, and agricultural production was above expectations everywhere except in Czechoslovakia, the Soviet Union and perhaps eastern Germany. In the countries for which estimates are available, the rise in domestic product was of the order of 6 to 8 per cent, and in Hungary and Poland the increases were significantly greater than had been expected (see Table 13). Moreover, in these two countries foreign credits — mainly from the Soviet Union, but for Poland also from the

---

[58] See the *Economic Bulletin for Europe*, Vol. 9, No. 1, p. 25.

[59] See Chapter VII, section 4.

Table 13

Net domestic product in eastern Europe and the Soviet Union

Annual percentage rate of growth

Country	1956 Actual	1957 Plan	1957 Actual	1958 Plan	1955-1960 Plan *a*
Bulgaria	2	..	8	9	..
Czechoslovakia	6	7	7	10	8
Eastern Germany	2.5	..	..	..	4.5
Hungary	−7	1	6-7	4	7
Poland	8	4	7.5	6	8.5
Soviet Union	12	8	6	8	10

Sources : Plans, plan fulfilment reports, eastern European statistical yearbooks; *Rudé Právo*, 31 October 1957, and 3 and 8 January 1958; *Izvestia*, 6 February and 20 December 1957; and *Zycie Gospodarcze*, No. 1, 1958.

a Latest revised plan.

United States and for Hungary also from other eastern European countries — added substantially to domestic resources.[60] The contribution of foreign credits was equivalent to about 6 per cent of domestic resources in Poland and about 9 per cent in Hungary (see Table 14).

The diminution of foreign assistance in 1958, and the beginning of repayment of some of the credits received last year, are expected to reduce the rise in resources available for domestic use in Poland to 4 per cent, despite a planned increase of 6 per cent in net domestic product. In both Poland and Hungary the unspent part of last year's credits and new loans from the Soviet Union will nevertheless provide a net addition to domestic resources in 1958.

Investment in 1957 nowhere diverged greatly from the levels planned. In Czechoslovakia and the Soviet Union, where the targets had been set high, there was a shortfall in state investment, as there was also in Bulgaria; but in that country private and co-operative outlay rose, so that the over-all plan was fulfilled. In eastern Germany the shortfall in planned total investment activity — which nevertheless expanded considerably — did not affect state investment. In Poland, centrally-planned investment exceeded the 1957 plan levels, but private investment did not fully come up to expectations, and stocks — built up rapidly in the later months of the year — and collective consumption appear to have benefited most from the unexpectedly large increase in total resources. Elsewhere, the planned investment levels seem to have been exceeded, and in Hungary also stocks were rebuilt, though the figures in Table 14 exaggerate the improvement by including an element (estimated at about 2 billion forints) of revaluation of stocks due to price inflation.

The Changing Pattern of Investment

The switch in the pattern of allocation of resources for fixed investment from the state to the private sector was greatest in Poland; and, as has been mentioned, investment outside the state sector also rose in Bulgaria. Within the state sector the concentration of resources on projects nearing completion was a major feature of investment policy throughout eastern Europe, with the exception of eastern Germany, but seems to have met with little success in Hungary

Table 14

National income in Poland and Hungary

	1956	1957 Plan	1957 Actual	1958 Plan
Poland *a*	*Billions of zlotys*			
Net domestic product	257	267	276	293
Net national income	254	275	288	300
of which :				
Consumption	203	223	227	238
Personal	189	211	212	218
Collective	13	12	15	20
Accumulation	51	52	61	62
Net investment	37	40	39	42
Increase in stocks	14	12	22	20
	Index numbers (previous year = 100)			
Net domestic product		104	107½	106
Net national income		108	113½	104
of which :				
Consumption		110	112	105
Personal		112	112	103
Collective		97	112	133
Accumulation		101	119	103
Net investment		109	106	109
Increase in stocks		82	155	90
Hungary *b*	*Billions of forints*			
Net domestic product	83	83	94	98
Net national income	81	86	98	99
of which :				
Consumption	78	81	83	84
Personal	70	76	77	78
Accumulation	3	5	15	15
Net investment	9	6	7	8
Increase in stocks	−6	−1	8	7

Sources : *Rocznik Statizticzny*, 1957, p. 56; *Trybuna Ludu*, 28 December 1957, 25 January and 15 February 1958; for 1957 Plan — direct communication from the Polish Government; *Népgazdasági mérlegek, reáljövedelmek, 1956*, Budapest, 1957; *Népszabadság*, 17 May 1957, 28 and 29 January 1958; *Gazdasági Figyelö*, 2 May 1957 ; and *Közgazdasági Szemle*, No. 10, 1957, pp. 1,009-1,011.

a In 1956 prices; the data, however, differ slightly from those published in the *Economic Bulletin for Europe*, Vol. 9, No. 3, p. 39, because of differences in prices used.

b In current prices — rough estimates for 1957 and 1958; out of the increase of 11.5 billion forints in 1957 over 1956, about 5.0 billion forints should be accounted for price increases, of which probably about 3 billion fall upon consumption and about 2 billion on the increase in stocks.

---

[60] For a full list of credits extended to eastern European countries, see the annex to Chapter VI, Table VI-R.

TABLE 15 — Capital formation by sector in eastern Europe and the Soviet Union

Billions of national currencies and percentage increases

	1955	1956	1957		1958
			Plan	Actual	Plan
	Value	Annual percentage increase			
Albania					
Total state investment (gross)	3.42	2	42	60	85
Bulgaria [a]					
Centrally planned investment (gross)	4.26	1	−16	−18	14
of which :					
Industry	2.30	1	−4	−5½	13
Heavy industry	1.87	−4½	10	7	3
Light industry	0.43	23	−50	−47	80
Agriculture	0.61	13	−45	−48	28
Transport and communications	0.43	−2	−11	−11	34½
Other	0.92	−5	−30	−32½	−3
Czechoslovakia [a]					
Total fixed investment (gross)	24.49	21½	..	8	8
State investment (gross)	19.96	12	13	8	11
of which :					
Building and construction	13.24	9	17	7½ [b]	13
Machinery and equipment	6.66	18	7	9 [b]	..
Industry	9.33	17	..	16	..
Agriculture and forestry	1.68	12	..	7	..
Transport and communications	2.52	4	23	14½	..
State housing	3.13	3	21	2 [b]	..
Construction enterprises	0.49	11	..	156	..
Private investment (gross)	4.53	63	..	7	−2
of which :					
Co-operative farms	1.69	40	24	13	35
Private housing	1.55	109	..	0 [c]	..
Other co-operatives	0.44	35	..	−11 [c]	..
Eastern Germany					
Total fixed investment (gross)	6.55	33½	14	9	19
State investment (gross)	4.73	35	3	4 [c]	..
of which :					
Industry	2.19	48	..	9	..

	1955	1956	1957		1958
			Plan	Actual	Plan
	Value	Annual percentage increase			
Hungary					
Total fixed investment (gross)	11.21	3	−29	−15	8
of which :					
Building and construction	5.78	4	..	−15 [c]	..
Machinery and equipment	2.73	9	..	−35 [c]	..
Industry	4.70	15	} −41	−24 [c]	..
Construction enterprises	0.09	117		−16 [c]	..
Agriculture and forestry	2.67	−33	−61	−51 [c]	40
Transport and communications	0.95	6	−41	−44 [c]	..
Domestic trade	0.36	7½	−48	32 [c]	..
Dwellings	1.15	18	83	58 [c]	..
Other	1.29	10	−37	−20 [c]	..
Poland [a]					
Total investment (net)	36.3	2½	9	6	9
Socialized economy (gross)	45.5	1½	1	2	..
Centrally planned investment (gross)	43.5	2	−2	0 [c]	..
of which :					
Building and construction	25.8	2	..	2½ [c]	..
Machinery and equipment	14.4	2	..	−8 [c]	..
Industry	19.5	4	−4½	2 [c]	..
Agriculture	4.5	7	−4	−11 [c]	..
Forestry	0.2	−7	8	23 [c]	..
Construction enterprises	2.0	3	−7½	−7 [c]	..
Transport and communications	5.0	−11	2	0 [c]	..
Domestic trade	1.3	−7	−30	−11½ [c]	..
Dwellings	5.6	6	20½	18 [c]	..
Other	5.3	−4	−13	−14 [c]	..
Rumania [d]					
State investments (gross)	13.18	13½	−16	−10	−2
Soviet Union					
Total [e]	180	16	..	11½	..
of which :					
State centralized	145	15	12	11	7½
Decentralized	15	33	..	25	..
Collective farms	20	12	18	6	..
Coal	15 [f]	15 [g]	15	21	..
Oil	} 11 [f]	} 18 [g]	..	10	} 30½
Gas			..	35	
Ferrous metallurgy	8 [f]	17 [g]	20	9	37½
Housing (state)	28½ [f]	14	27	29	21½

Sources : Plans, plan fulfilment reports, eastern European statistical yearbooks, quarterly and monthly statistical bulletins; *Rabotnichesko Delo*, 11 December 1957; *Rudé Právo*, 3 January 1958; *Neues Deutschland*, 10 January 1958; and *Scinteia*, 28 and 29 December 1957; *Izvestia*, 27 December 1955 and 6 February and 20 December 1957; *Zeri i Popullit*, 9 February 1958; *Trybuna Ludu*, 29 December 1957.

[a] At 1956 prices.

[b] First eleven months compared with the corresponding period of the previous year.

[c] First nine months compared with the corresponding period of the previous year.

[d] At 1955 prices.

[e] Data are in terms of 1 July 1955 prices on the basis of tariffs introduced in 1956; 1955 data (although at 195 prices) were not available on the basis of these tariffs and were roughly converted to that basis at a ratio (1 : 1.035) derived from that between investment at the former and at the 1956 tariff in 1951-55 (cumulative) and 1956 (respectively 1 : 1.039 and 1 : 1.034).

[f] 1956.

[g] Building and installation work only; " ferrous metallurgy " includes other metals and all chemicals

where the stock of uncompleted projects rose by about 10 per cent. Investment in industry generally was spared much of the burden of cuts where these were effected — except in Hungary, where industry nevertheless benefited most from the over-fulfilment of the plan — and benefited more than other sectors where the over-all total increased (see Table 15). In Bulgaria, the resources devoted to heavy industry rose as investment in light industry fell; this tendency is to be virtually reversed in 1958.

The marked increases in housing investment, discussed below, might have been expected to produce an increased share of construction in the total of all state investment. However, it is clear from the following figures that within the industrial sector there must have been an increasing concentration on equipping new and existing factories rather than on extending or constructing new plants or other large construction work — a tendency which extends into the 1958 plans of those countries for which data are available.

Value of machinery and other equipment as a percentage of fixed capital formation by the State

	1954	*1955*	*1956*	*1957*	*1958 Plan*
Albania [a]	..	..	27	32 [b]	..
Bulgaria	27	33	33	33 *	37 *
Czechoslovakia . .	29	33	35	34 [c]	34
Eastern Germany .	40	45	50 [b]	..	..
Hungary	23	24	26	26 [d]	..
Poland	30	31	31	..	..
Rumania	32	32	30	33 *	..
Soviet Union . . .	29	32	35	34	41

Sources : Statistical yearbooks; *Izvestia*, 20 December 1957; *Zeri i Popullit*, 20 February 1957; *Neues Deutschland*, 7 December 1957.

[a] Industry only.

[b] Plan.

[c] January-November.

[d] January-September.

Nevertheless, by western European standards, the share of machinery in new capital assets, everywhere except in eastern Germany, remained small — in western Germany, for example, it is about three-quarters of industrial investment, and in the United Kingdom about half of all gross fixed capital formation. The difference reflects both the heavy construction cost of development in many eastern European countries, as well as the tendency, only now being significantly modified, to retain obsolete equipment so long as it can be used at all.[61]

State investment in agriculture fell in Bulgaria, Hungary and Poland, but other farm investment rose and (in Poland at least) more than offset the decline in the state sector. In Czechoslovakia and Albania, state investment in agriculture increased at about the same rate as the over-all total; and in Czechoslovakia, investment in co-operative farms also rose, though much more slowly than in 1956. In Albania, however, private farm investment fell (and there may even have been some net disinvestment) partly as a consequence of heavy slaughterings of livestock by peasants before joining co-operatives.[62] In the Soviet Union, farm investment rose by 21 per cent in the state sector, with a rise of probably 6 per cent in investment in collective farms.[63]

Housing

A common feature of investment patterns throughout the region was increased attention to housing, with state investment in dwellings rising by over 50 per cent in Hungary (partly to meet repair and rebuilding needs following the uprising), by 30 per cent in the Soviet Union and by one-fifth in Poland. Additional resources were made available for private and co-operative building in the Soviet Union, Bulgaria, Poland and eastern Germany. The number of dwellings completed rose throughout the region (see Appendix Table XL), but hardly sufficiently to make any significant impression on the generally very poor housing standards.

In Czechoslovakia, where the over-all rate of dwelling construction is running at about the rate subsumed in the 1956-1960 Plan, the share of co-operative and private construction is already well above the planned level. In the Soviet Union, where in 1957 private urban construction (including that financed by bank loans) was to account for 28 per cent of completions,[64] it is planned to contribute 41 per cent in 1960. Rural house construction is to rise from the 770,000 actually built in 1957 to 900,000 in 1960.[65]

The execution of the new 1957-1960 programme would make available 292 million square metres of dwellings, as against 253 million foreseen in the original plan,[66] and this is presented as the first stage in the solution of the Soviet housing problem. By this is stated to be meant the provision of a separate dwelling for every urban family ten to twelve years hence, and it is in the light of this aim that the programme must be examined.

---

[61] The recent change of attitude in the Soviet Union is noted in Chapter VII, section 4. See also reference in footnote 128 below.

[62] Speech by Mr. E. Hoxha, First Secretary of the Albanian Workers' Party, on 3 June 1957.

[63] Farm money incomes rose by 6 per cent, and allocations to capital funds are a statutory fraction thereof.

[64] The distribution of actual completions (48 million square metres) has not been stated, but these were in excess of those planned (47 million square metres). These figures cover all urban housing and state rural construction.

[65] The decree lays down the substantial increases in free sales of building materials that this expansion of the private sector demands.

[66] Twenty-nine million square metres of the extra 39 million are to be privately built, and the state increment is to be financed by the retained profits of enterprises and the organization of building teams among the workers.

At the end of 1956, there were in Soviet towns 18 million dwellings (aggregating 668 million square metres of useful area) for 88 million people: or 1.6 persons per room.[67] By 1960, excluding an estimate of the construction in rural areas (which the decree targets incorporate) and allowing for demolitions and loss, the urban housing stock will have risen to some 900 million square metres. If the rate of new building reached in 1960 is subsequently maintained, and demolitions and loss run at 1½ per cent per annum, an urban stock of some 1,500 million square metres could be available in 1968. Only on the assumption that the rate of population growth declines (as foreseen in Chapter VII) and the further (unreal) assumption of no net migration into towns after 1960 could the number of town dwellers in 1968 be as low as 115 million, which would permit a density of occupation (just under one person per room) about equal to the average in western Europe today.[68]

Investment in Transport

Transport remained a relatively neglected sector everywhere in 1957; but it is the new beneficiary of the 1958 Soviet investment plan, in which capital allocations to the railways are to be 20.5 per cent bigger than in 1957. This decision is to be seen as the result of previous improvidence [69] and as a corollary of the decision to foster local self-sufficiency by the devolution of industrial management to regional councils (discussed in section 6). Appendix Table XLI shows that, carrying a big share of total goods traffic, Soviet railways have in the last two years had to carry alone no less than 25 per cent more ton-kilometres. The long overdue renewal and expansion of railway capital is to be accompanied by major investments in oil and gas pipelines. In 1957 the longest oil pipeline in the world (from the Volga oil-fields to Irkutsk) was completed as far as Novosibirsk, and gas flowed along the 1,300-km pipe from Stavropol to Moscow, completed at the end of December 1956. The northern sea route (along the Arctic shore), traffic on which in 1957 was four times that of 1940, will be usable longer and more intensively when the nuclear-powered icebreaker (launched in December 1957) comes into service.

The strain on the transport system is little different in eastern Europe. As may be seen from Appendix Table XLI, the railways carry a share of inland freight transport ranging from 73 per cent in Bulgaria to 96 per cent in Poland,[70] and had to carry 12 per cent more in 1957 than two years ago. In Czechoslovakia and Hungary, their share in traffic has even increased since river and road transport have failed to develop proportionately.

The planning authorities do not yet, however, deem the marginal efficiency of capital in transportation to be higher than in industry, even though railway bottlenecks (notably a shortage of rolling-stock) have limited the return on capital invested in certain industries. In Czechoslovakia it has been stated that shortage of wagons at the pit-head contributed to a shortfall of 1 million tons on planned coal production in 1957 — presumably because lack of labour or storage space prevented stocking at the pits — and that cement output also suffered because insufficient shipment capacity was available. The share of transport in total investment in Czechoslovakia and in Bulgaria is to be slightly increased in 1958.

Some compensation for the continued starvation of transport is on hand in the major development projects for inland waterways. The Hungarian Government has announced the completion, in co-operation with other riparian States-members of the Council for Mutual Economic Aid, of the basic plans for the chain of dams and locks in the Danube navigation and power scheme.[71] The Czechoslovak, eastern German and Polish authorities have been intensively engaged in preparations for the work on the Oder-Danube Canal. This canal would connect the Baltic with the Black Sea. The cargo traffic, including only the estimated shipments of the three countries, would total 15 million tons annually, and total traffic is estimated at 50 million tons. In eastern Germany, plans are under discussion for a new waterway between Rostock harbour, now under extension,[72] and the navigation networks of Poland and Czechoslovakia. In Poland, work is being carried on to make the river Bug navigable, thereby connecting the Dnieper, Vistula, Warta, Oder and Elbe rivers. Work on this important east-to-west waterway is virtually completed so far as both Soviet and German territory are concerned: barges of 1,000 tons can already navigate as far as Brest on the Bug river (viz., from the Black

---

[67] The sizes of dwelling and room used in this computation are stated in *The European Housing Situation*, ECE, 1956, pp. 38-9.

[68] Although, owing to the small size of rooms, there would still be less space per head. The special plan for Moscow (1958-65) published at the end of 1957 would, if there were no immigration (300,000 came in during 1950-1955, however), mean the virtual attainment of this level by 1965. The construction of the capital's first satellite town has been started, and a decline in the metropolitan population may be expected.

[69] As Table 7 of Chapter V in the last SURVEY showed, the Soviet Union directed to transport only half the share of new investment usual in western Europe.

[70] Their share in Albania, where the first railway line was laid only a decade ago, is of course much smaller (ca. 15 per cent).

[71] Decided in principle by C.M.E.A. in 1956 with the participation of Yugoslavia.

[72] The foreign-exchange saving resulting from diversions from Hamburg is an important factor in this project.

Sea to the Polish frontier), and the German trunk canals have long been of this capacity.

A marked expansion of civil air transport in the Soviet Union is also under way. Investment in airports in 1958 is to be 1½ times that in 1957, and the chairman of Gosplan stated in his presentation of the 1958 Plan[73] that the cost of passenger transport by large airliners was little greater than the cost of rail services. He foresaw that in the next few years air tickets would cost no more than third-class rail, and that " the main passenger traffic in our country will be by air ". Given the past failure adequately to develop passenger transport, investment in air travel facilities may well be the most economic means of providing for future traffic.

4. PRESSURES IN THE MARKETS FOR CONSUMERS' GOODS

The increments in personal money incomes in 1957 to which most governments in eastern Europe and the Soviet Union were pledged by the beginning of the year were generally considerably greater than those conceded in preceding years. Increases in wage bills in the socialist sector (usually concentrated on the basic industries), higher pensions and social benefits[74] and increases in farm prices and deliveries all contributed in most countries to the planned rise in total incomes, which ranged from between 8 and 9 per cent in eastern Germany and probably the Soviet Union to some 12 or 13 per cent in Czechoslovakia, Poland and Rumania and as much as 20 per cent in Hungary. The principal known elements in these increases, and the actual developments in 1957, are shown in Table 16.[75]

As can be seen from the figures in the table, the planned expansion was exceeded in Poland and the Soviet Union. The main contributing factor in Poland was a further rise in wages early in 1957, though farm incomes also rose more than planned, and in the Soviet Union wage and pension increases were above planned levels.

In contrast, the introduction of the promised wage reform in Rumania was postponed until the fourth quarter of the year, and peasant incomes remained below the planned level despite the exceptionally good harvest, so that aggregate personal incomes rose less than had been forecast. The smaller rise in net disposable incomes in Hungary was partly a reflection of smaller receipts from sales of farm produce to the state not offset by larger sales through other channels, but it was also due to a restoration of farm taxes, including collection of arrears from 1956. In Czechoslovakia also gross money incomes rose less than had been planned. However, the conjunction in the plan for 1957 of a rise of 13 per cent in aggregate gross incomes with a 4½ per cent rise in the value (nearly 9 per cent rise in volume) of retail sales suggests that the authorities may have had it in mind partially to match any such growth in incomes with increased taxation or price increases and that, in the event, they were able to avoid both some of the expected wage concessions and the countervailing rise in taxes or prices.

In all countries the actual increases in incomes have been large enough to produce pressures on the consumers' goods market, which have been most acute in eastern Germany, Hungary and Poland. In the last two countries large increases in imports, leading to heavy balance-of-payments deficits, helped to meet the rise in domestic demand; and in eastern Germany the October currency reform, though undoubtedly aimed mainly at the elimination of the cash holdings which were financing smuggling between eastern and western Germany, also achieved some reductions in other cash hoards.

Retail Trade

It is nevertheless clear that the rise in consumption in real terms was everywhere considerable. Retail trade turnover everywhere rose substantially, at rates generally above those of the previous year (see Table 17), and with a significant change in the composition of sales in most countries. The share of industrial goods increased slightly[76] and there was a pronounced shift towards consumers' durable goods and investment goods sold through retail trade, such as building materials and farm implements. The substantial rise — from per capita levels that are still very low — in output of consumers' durable goods was noted in section 2 above. Sales of investment goods were to some small extent financed by credits for private housebuilding or investment in agriculture but for the most part they absorbed consumers' current income.

Pressure on supplies led to significant official price increases only in Poland and Hungary; and price

---

[73] I. I. Kuzmin, *Izvestia*, 20 December 1957.

[74] See the *Economic Survey of Europe in 1956*, Chapter I, pp. 30-34, and Chapter VII, p. 47 in this SURVEY.

[75] The coverage of the figures in the table varies from country to country. Incomes generated outside the socialist sector (free market sales off farms, handicraft, etc.) are included in eastern Germany, Hungary, and, so far as concerns farm market sales, the Soviet Union but apparently not elsewhere.

[76] For example, from 42.8 per cent to 45 per cent between 1956 and 1957 in Czechoslovakia and from 42.3 per cent to 43.4 per cent in eastern Germany.

TABLE 16

Constituents of personal and farm income and expenditure in eastern Europe and the Soviet Union

Billions of national currencies at current prices ; index numbers in italics

INCOME						EXPENDITURE					
	1956 Total	Absolute increase over previous year					1956 Total	Absolute increase over previous year			
		1956	1957 Plan	1957 Actual	1958 Plan			1956	1957 Plan	1957 Actual	1958 Plan
Bulgaria											
Wage bill and pensions	11.2	0.5	0.9	0.9 *	..	Retail sales	15.0	0.8	1.3	1.3	1.6
Farm incomes	3.9	0.2	0.8	..	..						
Other incomes	2.7	0.2	0.3	..	..	New savings bank deposits	0.5	0.2	0.1	0.1	..
Total gross money incomes	17.8	0.9	2.0	..	..						
Less taxes	1.2	0.0	0.0	..	..						
Plus credits	0.1	0.0	0.1	..	..						
Net money income	16.7	0.9	2.1	2.0 *	..						
Percentage of previous year	—	*106*	*113*	*113* *	..						
Czechoslovakia											
Wage bill	65.7	4.2	..	2.8	..						
All other incomes	42.6	2.8	..	5.0	..						
						Purchase of goods	80.7	4.3	3.6	5.5	3.6
Total gross money incomes	108.3	7.0	14.1	7.8	5.5	Purchase of services	10.3	0.7	..	0.7	1.1
As percentage of previous year	—	*107*	*113*	*107*	*105*	New savings bank deposits	2.5	0.9	..	0.5	..
Less taxes, etc.	14.1	1.0	..	0.9	..	Cash holdings and other	0.7	0.1	..	0.2	..
Net money incomes	94.2	6.0	..	6.9	..						
Percentage of previous year		*107*	..	*107*	..	Total expenditure	94.2	6.0	..	6.9	..
Eastern Germany											
Wage bill	26.2	0.7	1.8	1.5	..	Retail sales	32.6	1.1	2.0	2.1	2.0
Pensions	3.3	..	1.0	1.15	0.2	New savings bank deposits	1.2	0.0	0.3	1.8	..
Farm incomes	..	..	0.37	0.60	..						
Income of private enterprises	..	..	0.13	0.95	..						
Total gross money income	..	1.3	3.3	3.85	..						
Less taxes	7.7	..	..	..	..						
Hungary											
Wage-earners											
Wages	37.6	3.0	3.7	4.8	2.0*						
Other incomes	10.2	..	0.8	0.9	..						
Total gross incomes	47.8	..	4.5	5.7	..						
Farmers											
Sales to State	10.0	..	4.5	2.7	—						
Free sales	4.2	..	..	0.4	..						
Other incomes	3.9	..	..	−0.6	..						
Total gross incomes	18.1	..	..	2.5	..	Purchase of goods	57.6	..	..	7.4 *	..
						Purchase of services	5.3	..	..	..	..
Non-agricultural self-employed	7.6	..	..	2.9	..						
Total gross incomes	73.5	..	..	10.5	..	New savings bank deposits	−0.2	−0.3	..	1.1	..
Less taxes and other payments	9.0	..	..	1.0	..	Cash hoarding	1.8	..	..	..	..
Net money incomes	64.5	..	..	9.5	..	Total expenditure	64.5			9.5	

TABLE 16 (*concluded*)

Constituents of personal and farm income and expenditure in eastern Europe and the Soviet Union

Billions of national currencies at current prices ; index numbers in italics

INCOME	1956 Total	Absolute increase over previous year				EXPENDITURE	1956 Total	Absolute increase over previous year			
		1956	1957 Plan	1957 Actual	1958 Plan			1956	1957 Plan	1957 Actual	1958 Plan
Poland											
Wage bill	107.2	..	10.8	17.8	5.0	Retail sales	147.7	18.8	28.3	33.3	..
Other wage earnings	4.8	..	1.1	5.5	3.4	New savings bank deposits	1.0	0.5	..	2.0	..
Pensions	13.2	..	2.9		1.0	Other	2.7	..	−1.6	..	
Bank credits	4.6	..	0.8	..	..						
Farm incomes	32.6	..	7.1	9.8	3.4						
Others	7.3	..	3.0	..	..						
Total gross money income	169.7	..	25.6	39.5	..						
Less taxes	18.0	..	1.3	5.6	..						
Net money income	151.7	..	24.3	33.9	..	Total expenditure	151.4	19.3	25.7	..	..
Percentage of previous year	..	..	*116*	*122*	..						
Rumania											
Wage incomes	..	0.9	2.5	2.0	..	Retail sales	30.6	2.8	4.0	4.1	4.2
Farm incomes	..	..	2.5	2.0	..	New savings bank deposits	..	..	..	0.1	..
Total gross money income	..	..	5.0	4.0	5.1						
Soviet Union						Retail sales: [a]					
Wage bill: Employment increases	443.4	18.3	14.9	18.4	16.7	by state shops	349.6	30.3	53.1	44.1	41.0
Wage increases		13.0	10.5 [b]	27.7	11.0	by co-operative shops	160.9	11.2		27.4	
Pensions	36.5	6.4	13.7	21.4	8.1	on commission	7.0	2.1	..	0.7	..
Other social transfers [c]	17.8	0.8	1.7	1.7	0.5	on farm markets	45.9	−3.3	..	..	8.0
Collective-farm net money income:						Other expenditure:					
Distributed as dividends	42.2	8.4	3.8	2.6	4.2	Rent	5.1	0.3	0.4	0.5	0.6
Undistributed	16.7	3.4	..	1.0	7.3						
Money income of collective-farmers:						Private urban house-building	4.2	−0.9	2.9	2.9	3.9
From farm markets	31.9	−2.3	..	7.0 [d]	8.0	Private rural house-building	6.0	0.9	0.4	0.5	0.3
From commission sales	1.6	0.5	..	0.2	..	Entertainment	9.5	1.0	1.0	1.0	..
From sales to State	5.0	—	—	—	−5.0	Other services, etc.	..	..	..	..	..
Loan service and redemption	13.9	1.7	1.5	−7.6	−0.6						
Mortgages advanced	1.0	0.2	1.0	1.0	0.3	Purchase of state bonds	32.8	2.6	−4.6	−14.4	−13.8
Other incomes [e]	..	..	..	..	..						
Less direct taxes and miscellaneous payments to State	53.2	−1.9	−0.3	−2.5	+0.6	New savings bank deposits	10.0	4.7	1.0	6.8	−3.8
Total of known components	556.8	48.5	..	70.9	50.5		631.0	48.9	..	69.5	36.2

Sources : See Appendix B.

NOTE. — Farm incomes cover private and co-operative but not state farms.

[a] Including sales to collective farms, but excluding estimated sales to state institutions.

[b] From establishment of minimum wage and improvement of wage-tariffs. Other increases (notably from productivity) excluded.

[c] Made up in 1956 of family allowances (5.0), sickness and other benefits (5.6) and student stipends (7.2).

[d] This figure is a residual from the increase in farm incomes foreseen for 1958 compared with income in 1955 after deduction of all other known items: it does not necessarily represent the increment in farm market sales, since other increments in farm incomes may be under-stated.

[e] Notably pay and pensions of armed forces, current outlays of collective farms, dividends of members of industrial co-operatives and fishing and forestry *artels*, certain workers' premia and wages from enterprises outside the classification " national economy ".

TABLE 17

Percentage increases in retail trade turnover [a] in eastern Europe and the Soviet Union

A. *In current prices*
B. *In constant prices where price changes are known to have been significant*

Country	1955		1956		1957	
	A	B	A	B	A	B
Albania [b]	8		3	11	22	18
Bulgaria	6	12	6	14	. .	9
Czechoslovakia	7	11	7	9	7	9
Eastern Germany	6		4		7	
Hungary [c]	5		10		10	4 *
Poland	8		15		24	14
Rumania	25	10	10	13	13 [b]	
Soviet Union [d]	4		9		14	

Sources : Plan fulfilment reports; statistical yearbooks; *Zeri i Popullit*, 30 April, 16 July 1956, 30 October 1957; *Sovetskaya Torgovlya*, p. 19; *Moscow News*, 7 December 1957; *Trybuna Ludu*, 28 December 1957.

[a] Including public catering.

[b] Socialist trade only (82 per cent of retail sales in Albania in 1955; 97 per cent of sales in Rumania in 1956).

[c] Private trade based on central stocks is included: other private trade (excluded from the figures) increased very considerably in 1957.

[d] Excluding commission trade in co-operative shops.

reductions in 1956 resulted in an over-all consumer price level in 1957 considerably below that of the previous year in Czechoslovakia and insignificantly lower in eastern Germany. In the Soviet Union there were a few minor price cuts during the year,[77] equivalent to a reduction of about one-half of one per cent in the consumers' price index, as there were also at the beginning of the year in Albania. Following the previous year's good harvest, prices fell by 13 per cent in the commission trade of Soviet co-operative stores.[78]

The official price increases in Poland applied mainly to farm implements and equipment, fertilizers, building materials, various consumers' durable goods and other high-quality manufactures, alcohol and butter.[79] They are estimated to have added some 8 to 9 per cent to the general retail price level, and in Hungary the rise is estimated to have been only slightly less.[80]

"Hidden" price increases—adding to the cost of living, but not reflected in price index numbers—seem to have been common last year in most eastern European countries and second-hand prices of scarce goods are frequently above their legal retail prices. Other increases in prices or in living costs have been brought about by the disappearance of cheaper qualities of goods from the shops,[81] by reductions in quality with unchanged prices, and by rebranding at higher prices with the real quality unchanged.

The increased powers recently given to enterprises and local authorities to determine assortment plans and to fix prices for certain goods (see section 6 below) undoubtedly gave further opportunity for a switch of production towards the more profitable—and often higher priced—goods as well as for direct increases in prices for services. In Hungary, the Statistical Office has estimated that "hidden" price increases have tended to raise the cost of living by 1 to 2 per cent each year since 1949; but in 1957 this tendency became so strong that in September the Economic Council decided upon counter-measures.[82]

The panic buying of November 1956 had relieved trade organizations in many countries of most of their stocks—even those previously considered unsaleable—and during the following year pressure of consumer demand was sufficient to make it very difficult to rebuild stocks of many finished goods.[83] The intensified shortages produced a new spate of complaints about long-standing abuses—such as under-the-counter sales, illegal price increases and cheating in weights—as well as growing irritation at the ease with which large incomes could be made by "speculators" in private trade or operating illegally within the state-trading system.

Another phenomenon reflecting, to some extent, the shortages of attractive consumers' goods — and of dwelling space to house them — is the continuing increase in the consumption of alcohol, encouraged also by its relative cheapness. Rising consumption, little affected by the increases in alcohol prices recently imposed nearly everywhere, has played an important role in absorbing consumers' purchasing power, but it now constitutes an extremely disturbing social problem in several countries.

---

[77] Pork, poultry, fats, tinned foods and some consumers' durable goods.

[78] Prices for these sales — of foodstuffs deposited by farmers for sale on commission — usually reflect those on farm markets.

[79] The object of the higher butter price was to switch consumer demand away from butter, which at the margin was imported, to other fats (prices of which were reduced). This was, in fact, achieved.

[80] See the *Economic Bulletin for Europe*, Vol. 9, No. 3, p. 17.

[81] For example, a radio factory in eastern Germany discontinued production of one model costing DM 590 in favour of another costing DM 690. The improvement in quality justified the price change but, nevertheless, the consumer wanting simply a radio was obliged to pay DM 100 more than before. (*Deutsche Finanzwirtschaft/Finanzen und Buchführung*, No. 1, 1958, p. 1). This tendency explains how it was possible for the volume of retail sales of clothing and footwear in Czechoslovakia to rise in 1955 by 7.7 per cent *in constant prices* while the quantities sold fell because the weight of more costly items in the total increased.

[82] For instance, in one textile plant in the second quarter of 1957 more than 45 per cent of the output consisted of "new" products most of which were introduced in replacement of previous products, the price of which was not considered satisfactory (*Népszabadság*, 29 September 1957).

[83] Mr. S. Jedrychowski, Polish Deputy Prime Minister, has said, "We all felt badly the insufficient increase in retail trade stocks. There were shortages in quantity, in assortment, difficulties in finding what is needed and buying it without obstacle. The situation in this respect started to improve only in the fourth quarter of the year." *Trybuna Ludu*, 29 December 1957.

Services and Other Expenditure

Few data on expenditure on services are available, but it almost certainly rose fairly generally in 1957 partly as a result of price increases. In Czechoslovakia rents were raised — though very mildly — and there were increases in various eastern European countries in fares, cinema and theatre ticket prices and education fees. Postal charges and the costs of foreign travel were also fairly generally increased. In the Soviet Union, however, the trend was in the opposite direction, since in late 1956 air fares and theatre ticket prices had been reduced and education fees abolished.

With an increasing share of investment in agriculture and of housing construction at least partially self-financed, either on a co-operative or an individual basis, and with some sales of existing houses or flats to their occupiers,[84] not only has expenditure out of current income on building materials, etc., been increasing; but many would-be investors must have increased their savings last year. In Poland, as has already been mentioned, and to a lesser extent in Hungary, sales of state-reserve land have also accounted for some of the increase in expenditures by farmers; and in Poland further sales are planned in 1958.[85]

In the Soviet Union the first facilities for deferred payments were introduced — for the purchase of prefabricated houses (sales of which are planned to rise from 3.5 million square metres in 1958 to 18 million square metres in 1961).

Savings

It is clear from the figures in Table 16 that voluntary and semi-voluntary savings were everywhere a significant factor relieving pressure on supplies of consumers' goods in 1957, and in eastern Germany, Hungary and Poland the increase in the rate of growth of savings deposits was particularly striking. In the two latter countries, the note circulation also rose considerably;[86] but with the growth of private trading, artisan production and free market sales of farm produce a rise was to be expected. In eastern Germany, however, the currency reform reduced the note circulation from DM 5.6 billion in October to DM 3.5 billion in December, and it was officially claimed that of the difference DM 1.5 billion was added to savings deposits and DM 0.6 billion (of which some must have been held outside eastern Germany) was annihilated. The ending of the practice of raising semi-compulsory subscriptions to the State Loan in the Soviet Union — which was accompanied by a moratorium on interest and repayments on the outstanding public debt — directed a substantially increased flow of money into the savings banks, though the rise in this form of saving was less than half the fall in subscriptions to state bonds.

Spectacular as the rise in savings deposits has been (see Table 18), the total amounts outstanding are important in only a few countries. In eastern Germany they amount to rather more than a quarter of a year's aggregate disposable incomes, and in Bulgaria to about 18 per cent. The comparable figure in the Soviet Union is about 11 per cent; in Czechoslovakia 8 per cent; and in Poland only 4 per cent. They are, of course, supplemented by cash holdings, but probably to a much smaller extent than in the past, since rumours of currency reform almost certainly encouraged some shift of savings from cash hoards to savings deposits, at least in Hungary and Poland, and probably also in Czechoslovakia.

More than the customary official publicity to encourage saving (and particularly savings deposits rather than cash hoarding) was apparent last year, and the encouragement given by the greater facilities for private investment has already been mentioned. The introduction of " purpose saving " for consumers' durable goods and even for foreign travel was also important in several countries, particularly in Czechoslovakia, eastern Germany and Poland.

In Czechoslovakia this was carried to the length of obliging the prospective buyer of especially scarce

TABLE 18

Savings deposits in eastern Europe

Billions of national currencies at end of period

Country	1954	1955	1956	1957
Bulgaria	1.91	2.17	2.68	3.3 *
Czechoslovakia . . .	1.15	2.78	5.32	8.29
Eastern Germany . .	3.70	4.93	6.06	9.0
Hungary	0.59	0.73	0.58 [a]	1.5
Poland	0.75	1.27	2.23	5.1 [b]
Rumania	. .	. .	(+0.5) [c]	(+0.6) [c]
Soviet Union	48.4	53.7	63.7	80.5

Sources : National statistics and plan fulfilment reports.

[a] On 23 October it was 1.1 billion.

[b] End of November.

[c] Increase over previous year.

---

[84] In Bulgaria, officials with high incomes living in state-owned houses now have to purchase them, and in Hungary state-owned apartments have been sold to individual occupiers.

[85] It is estimated that the percentage of the total real income of farmers invested in Poland was as follows: 1955, 4.4; 1956, 5.2; 1957, 8.6; and that in 1958 it will be 9.3 (*Trybuna Ludu*, 23 January 1958).

[86] From 17.4 billion zlotys to 19.6 billion zlotys over the year in Poland and by 20 per cent from October 1956 to the end of 1957 in Hungary.

goods, such as motor-cars, to constitute a savings deposit equivalent to the full price before his name could even be placed on a waiting list.[87] In eastern Germany, on the other hand, " purpose saving " for particularly scarce goods exists side by side with deferred payment facilities for others, such as furniture and radios.

The Prospects for 1958

Few details on planned incomes and expenditure in 1958 are yet available, but it seems that the rate of increase of personal incomes is expected to slow down very considerably in most countries. Exceptions are Rumania, where the delayed introduction of the wage reform in 1957 will raise the 1958 level of personal incomes, and Albania, where the abolition of rationing in November was accompanied by tax-free wage increases and the introduction of family allowances to compensate for higher prices.[88]

In Hungary, the re-introduction of piece-rates and reinforced controls over enterprises' wage funds brought about an actual decline in the average monthly wages of industrial workers from 1492 forints at the March-May peak to 1422 forints in September-November. The wage reform envisaged in eastern Germany is designed to redistribute incomes without any significant over-all rise;[89] in Czechoslovakia, it is intended that earnings should rise rather more slowly than productivity, and in Poland the intention is to hold wage-rates practically constant.

Even if pressures from those workers who benefited least from last year's wage increases, and in some cases suffered from price rises, do not lead to any significant rises in wage rates in 1958, some increase in aggregate wage incomes must be expected in all countries, simply as a result of expanding employment and the automatic increases in earnings geared to rising productivity. In Poland the " thirteenth month " wage bonus will also add to incomes, and in the Soviet Union, Poland and Bulgaria, higher pensions payments in 1958 are already certain.[90] No further increases in farm prices seem to be foreseen, and farm incomes are therefore likely to depend mainly on the development of production.

The restriction of rises in personal incomes next year within the range of some 3 to 7 per cent which would probably be implied in most countries by the factors just mentioned cannot be relied upon to eliminate all pressures on the markets for consumers' goods. In Poland and Hungary, in particular, relatively stable conditions in the domestic market were preserved in 1957 only by incurring foreign debts, part of which will have to be repaid in 1958.[91] Everywhere the growth in personal savings which helped to relieve pressures in 1957 could be reversed by fears of shortages.

The Soviet authorities clearly consider that some continuing — but diminishing — strain is probable. Penalties for " speculation " in consumers' goods were increased;[92] at the turn of the year prices for motor-cars, motor-cycles and carpets were raised explicitly to diminish speculation,[93] prices of vodka and wine were also raised, and on 20 January 1958 *Pravda* appealed to salesmen to " wage a most resolute struggle " against the dissemination of false rumours of shortages. The rapid growth of the capital accounts of collective farms — which reached a record level, equivalent to about 60 per cent of annual rural retail trade turnover, at the end of 1957 — seems to be one of the factors leading the Soviet Government to consider putting up for sale much of the equipment of the machine and tractor stations (see section 1 above).

---

[87] Home sales of motor-cars in 1957 in Czechoslovakia amounted to 19,000 (out of a total production of 34,600) and there is now a waiting list for 52,400 cars already fully paid for (*Rudé Právo*, 29 January 1958).

[88] In fact, a 4 per cent increase in real wages is stated as the net result.

[89] See Chapter VII, section 4.

[90] In the Soviet Union this is the result of an under-estimate of the numbers eligible under the 1957 reforms and of delays in recognizing valid claims (see *Finansy SSSR* No. 11, 1957, p. 7).

[91] In Albania, although the foreign trade deficit was diminished in 1957, a 31 million rouble Soviet credit intended to supply consumer goods in 1958, after the lifting of rationing, has already been exhausted and a further Soviet loan of 160 million roubles has been negotiated.

[92] Persons making a living from buying and selling can even be exiled by a decision of a quarter of the residents of their street or village confirmed by the municipality; " petty speculation " in consumers' goods or cinema and theatre tickets has been made punishable by a fine or imprisonment, or both.

[93] *Pravda*, 2 January 1958.

5. THE STATUS AND THE REVISIONS OF LONG-TERM PLANS

At the end of 1957 neither the Soviet Union nor any country in eastern Europe had a long-term plan resembling in scope and nature the plans which had been in force in the 1950 to 1955 quinquennium. The change came in two consecutive steps. In the course of 1956 all these countries announced their decision to synchronize the new plan periods and all except Bulgaria published plan directives containing a limited number of key targets for 1960 which were to foreshadow the appearance of the more detailed and comprehensive plan documents.[94]

---

[94] For discussion of the long-term plans introduced in 1956, see *Economic Survey of Europe in 1956*, Chapter II.

The second half of 1956 and the beginning of 1957 witnessed some marked changes in economic policies and in the attitudes towards planning in general, with the result that the nature and the details of plans subsequently introduced in Czechoslovakia, eastern Germany and Poland varied distinctly from those of the original directives. In the Soviet Union, Rumania and Albania the originally published directives have not as yet been followed by further elaboration.[95] Considerable changes in the methods of planning and structure of management in these countries have been introduced, particularly in the Soviet Union where it has also been announced that a new plan for 1959-1965 will be superimposed on the current 1956-1960 Plan. However, no details of the new plan have yet been revealed. In Hungary, the outdated Plan of July 1956 still awaits a revision, while no 1960 targets whatsoever have been revealed for Bulgaria.[96]

In eastern Germany and Poland the modifications of the five-year plans in the second year of the plan period were to some extent motivated by the recognition that the original assessments of the future growth of their economies were too optimistic — in view of actual experience in 1956 and 1957. This seems to apply particularly to eastern Germany, where the rate of growth of national income has been scaled down in the revised plan from 45 per cent to about 25 per cent over the 1955 to 1960 period (see Table 19).

Secondly, as already noted, in several countries the trend towards the improvement in the lot of the consumer has been given an added momentum. In Czechoslovakia this is manifested both in the diminution of the rate of growth of investment originally planned for the 1955 to 1960 period and in changes in the investment structure, as well as in some upward revision of output targets for consumers' goods.[97] In Poland the large increases in incomes already conceded during the last eighteen months mean that the plan targets provide for only a relatively slow growth of per capita consumption for the remainder of the period up to 1960, since the urgency of new investment needs prevents any reduction in the rate of investment below that proposed in the earlier directives.[98] In eastern Germany also a pressing need for new investment has kept the planned rate for the period unchanged; but both there and in Poland considerably greater funds have been earmarked for housing, and in Poland about 50 per cent more than had originally been envisaged is to be spent on agricultural development (see Table 20).

TABLE 19

Some plan targets in Czechoslovakia, Eastern Germany and Poland

Percentage increases, 1955 to 1960

	Czecho-slovakia		Eastern Germany		Poland	
	Direc-tives	Revised Plan	Direc-tives	Revised Plan	Direc-tives	Revised Plan
National income . . .	48	48	45	25 *	50	45
Gross fixed investment [a]	85	77	129	129	47	47
Value at plan prices of gross output of:						
Industry	*50*	*56*	*55*	*38*	*53*	*49*
Producers' goods .	57	60 *	60	40	53	51
Consumers' goods	40	42 *	40	33	54	47
Agriculture	*30*	*30*	*22*	*17*	*25*	*25*

Sources : Directives: *Economic Survey of Europe in 1956*, Chapter II; New plans: *Rudé Právo*, 4 and 18 October 1957; *Materialy liczbowe do projektu o planie rozwoju gospodarczego, 1956-1960*; *Neues Deutschland*, 10 January 1958.

[a] Calculated on the assumption that investment is planned to increase at a constant rate sufficient to give the total planned for the five-year period.

In Albania, where the original directives scheduled a volume of construction work exceeding that of the previous five years by only 16 per cent, the actual increment in 1957 was 23 per cent and is planned to be 27 per cent in 1958; much of the change in programme may be attributable to the unexpected discovery of rich oil deposits in the two years since the Plan was drafted. Crude oil output in 1960 is forecast to be nearly 9 times that of 1955, instead of the 56 per cent rise originally planned. The consequent improvement in the balance of payments has permitted the raising of other targets:

Albanian gross output in 1960 (1955 = 100)

	Original plan	*Revised plan*
Industry	191	224
Agriculture	150	176

---

[95] The discovery of major new mineral deposits is said in the USSR, and seems in Albania, to be a principal cause of the plan revisions; but in the former country the recent changes in industrial management, discussed in section 6, must also have been a factor of some importance. A few revised Albanian targets were announced in February 1958.

[96] The Government's proposal to submit a three-year plan (1958-1960) to the National Assembly during 1957 was not implemented.

[97] The newly published Czechoslovak Plan, like the original directives, does not reveal the details of the expected composition of investment; but production targets point to some shift of investment outlay towards light industries and the original plan for dwelling construction has been raised by 10 per cent. Examples of revisions of targets for home supplies of consumers' goods are as follows:

	Percentage increase, 1955 to 1960	
	Directives	*Revised plan*
Meat and meat products	35	41
Woollen fabrics	7	19
Motor-cars	1 367	2 158
Motor-cycles and scooters . . .	55	87
Television sets	580	666
Refrigerators	450	382

Sources : Plans, *Rudé Právo*, 4 and 9 October 1957, *Plánované Hospodářství*, No. 8, 1957.

[98] For further details of the revised Polish plan, see the *Economic Bulletin for Europe*, Vol. 9, No. 3, pp. 39-41.

TABLE 20

Planned structure of total investment during 1956 to 1960 in Poland and Eastern Germany

	Poland				Eastern Germany			
	Directives		Revised Plan		Directives		Revised Plan	
	Billion zlotys at 1956 prices	Percentages	Billion zlotys at 1956 prices	Percentages	Billion DM	Percentages	Billion DM	Percentages
Total gross fixed investment	*313*	*100.0*	*299*	*100.0*	*54.6*	*100.0*	*55.0*	*100.0*
All industry	152	48.7	125	41.8	25.4 *	46.5	26.0 *	47.3
Agriculture	38	12.2	57	19.1	6.5	11.9	5.9	10.7
Transport and communications	30	9.6	28	9.4	7.1	13.0	5.4	9.8
Trade	9	2.9	8	2.7	.. [a]	.. [a]	.. [a]	.. [a]
Housing	45	14.4	49	16.4	7.3	13.4	9.0	16.4
Schools, hospitals, public buildings	30	9.6	28	9.4	4.7	8.6	4.9	8.9
Other	8	2.6	4	1.3	3.6 [b]	6.6	3.8 [b]	6.9

Sources: As for Table 19. [a] Included under schools, hospitals, etc. [b] Military investment.

The extent of the change in the original eastern German targets is reflected not only in the considerable revisions of the over-all projections, but also in the very modest new targets for supplies of consumers' agricultural and industrial goods to the home market:

Supplies of some consumers' goods in eastern Germany

(Percentage increases 1955 to 1960)

	Directives	*Revised Plan*
Total supplies	40	27
of which :		
Meat and meat products	17	6
Fats (including butter)	18	6
Fish and fish products	62	20
Milk	87	62
Eggs	38	59
Leather footwear	21	13
Woollen fabrics	100	46
Cotton fabrics	49	27
Motor-cars	500	350

Since the estimates of home production of these goods have not been significantly modified, it appears that the need for the revision of the estimates of total supply in 1960 must reflect a reconsideration of the probable future balance-of-payments position of the country. It is now apparent that the investment programme will necessitate larger imports of energy and materials than had been initially estimated, and therefore either higher exports of manufactured products to pay for those imports or, as is more likely, lower imports of consumers' goods.

Another feature which distinguishes the latest from previous versions of the plans in Czechoslovakia, eastern Germany and Poland is the changed attitude towards investment financing, and consequently towards the proportions of state and non-state investment in the total. The increase in the share of non-state investment shown below is associated, in all these countries, with the expansion of credits for private and co-operative house-building, and in Czechoslovakia and eastern Germany with additional appropriations made for collective farms. In Poland, on the other hand, the extra funds for agriculture will go almost entirely to private farming. In some countries the more generous provision of credits for private investment, and of building materials, etc., is linked with a desire to encourage the spending of some part of the increases in personal incomes on dwelling construction, and on investment in handicrafts and in agriculture.

Composition of total investment, 1955 to 1960

	Total	*State*	*Non-state*	*Non-state as percentage of total*
	Billions of national currency			
Czechoslovakia				
Directives	177	153	24	13.6
Revised Plan	172	137	35	20.3
Eastern Germany				
Directives	54.6	47.6	7.0	12.8
Revised Plan	55.0	45.5	9.5	17.3
Poland				
Directives	312	277	35 *	11.2
Revised Plan	299	241	58	19.4

The decentralization of economic decisions and management, which all countries of the area are introducing to a varying degree,[99] inevitably involves a change in the concept of central-planning. Where greater autonomy is granted to individual enterprises and to local governments it is clearly irreconcilable with conformity to rigorous and detailed directives issued by the central planning authorities, and calls for more flexible long-term planning. The tendency for these countries to become more dependent on international trade is a further factor imposing some flexibility on long-term plans.

---

[99] Except in Albania, where the size of the economy makes industrial devolution unnecessary and where the control of agriculture was decentralized in 1955.

According to the prevailing opinion in the eastern European countries, the five-year economic plans will now lose much of their previous operative character and will in future serve rather as general guides to the pattern of development to be followed in the various sectors of the economy. Only in a limited number of cases will they provide direct production and other orders for particular enterprises.[100]

On the other hand, considerable stress everywhere is placed on the elaboration of perspective plans for periods of ten to fifteen years. This exercise seems to have three main objectives: to ensure the desired pattern of development, in its broad proportions; to avoid the appearance of bottlenecks in key sectors; and to promote international co-operation and specialization in these sectors. The work is being concentrated, first of all, on those sectors considered particularly important for future economic development which call for long-term investment efforts.

The preparation of these perspective plans in the main sectors of the economy is under way in all countries, and they are to be discussed in the various technical committees of the Council for Mutual Economic Aid, but only for the Soviet Union (and for housing in Hungary) are any elements of the plans yet available.

TABLE 21

Targets of the 15-year plan in the Soviet Union

Product	Unit	Output in		Annual rate of growth	
		1957	1972 (plan)	1955 to 1960 directives	1957 to 1972 [a] (plan)
Iron ore	Million tons	84.2	250-300	..	8.2
Coal		463	650-750	8.6	2.8
Oil		98.3	350-400	13.6	9.4
Gas	Billion m^3	20.2	270-320	11.0	9.4
Pig iron	Million tons	37.0	75-85	10.0	5.3
Steel		51.0	100-120	8.5	5.3
Electric power .	Billion kWh	209.5	800-900	13.5	9.7
Cement	Million tons	28.9	90-110	19.5	8.6
Sugar		4.5	9-10	14.0	5.1
Woollen fabrics .	Million metres	282	550-650	7.7	5.2
Leather footwear	Million pairs	315	600-700	8.7 [b]	4.9

Sources : *Izvestia*, 7 December 1957 and 27 January 1958; *Narodnoe Khozyaistvo S.S.S.R. v 1956 godu*, pp. 60-62.

[a] Mid-value of the 1972 range.

[b] All footwear.

The Soviet Government has published the first part of a ten to twelve years' housing programme, a fifteen-year railway electrification plan and the targets for output of some basic materials fifteen years from now (see Table 21). There are also bold but not yet quite clearly defined targets for agricultural output over the next few years that have already been described in Section 1 above. In both industry and agriculture the new programmes envisage that a much greater proportion of output be derived from the less developed regions (notably Siberia). This trend is one of the elements in the devolution of economic administration to regional councils which is discussed in the following section.

6. CHANGES IN ECONOMIC PLANNING AND MANAGEMENT

With most of the countries of eastern Europe and the Soviet Union committed in varying degree to decentralizing management in their economies, lively discussions of the problems involved in effective devolution of authority for economic decisions have continued during 1957. The changes which began in 1954 in the Soviet Union, and in 1956 in several eastern European countries, have been carried further during the last year,[100a] but it is clear that, at least in eastern Europe, the development of the new methods of economic organization is going to be a fairly long-term process based on careful consideration and experiment rather than on a precipitate recasting of the existing systems.

The task of reconciling the various objectives of the contemplated reforms is inevitably complicated. It is everywhere agreed that central planning of the main lines of economic development must be preserved and indeed strengthened; and one of the purposes of abandoning detailed quantitative planning in some branches is that it may thus be made more effective in the most important sectors. Secondly, increasing emphasis has recently been put on the need to take more advantage of the possibilities of international economic specialization, particularly within the region, and on the desirability of " integrating " the various national long-term development plans in the basic sectors. The third objective everywhere is to achieve greater efficiency of production by encouraging initiative at the enterprise level and by inducing more attention to costs; but if attempts to determine the activities of the individual enterprise in every detail by directives from the centre are abandoned, some other guiding force has to be allowed to operate.

---

[100] The difference between the new concepts and the situation in the past is in fact smaller than it appears at face value. The previous quinquennial plans were introduced often with considerable delays and were frequently modified in the course of the plan periods.

[100a] For a discussion of the changes that took place in 1956, see the *Economic Survey of Europe in 1956*, Chapter I, section 7.

In general, the solution envisaged for this last problem includes both the devolution of some supervisory authority over enterprises to intermediate bodies — such as regional and local authorities and trade associations — and the restoration, to a limited extent, of the traditional role of market forces. But complicating further the issue of how much autonomy can be conceded to enterprises, and under what conditions, is the question how responsibility at the enterprise level should be shared between workers and management.

In most western European countries much of the discussion of the principles of economic organization and of economic policy has for many years centred on the question to what extent the operation of market forces has to be modified by state intervention to secure certain macro-economic, social or political objectives. In eastern Europe and the Soviet Union a similar question is now approached from a different standpoint — to what extent market forces can be permitted to play a role as determinants of the details of the pattern of economic development and as spurs to economic efficiency without prejudicing the broad economic, social and political objectives of central planning.

The changes actually made, or decided upon in principle, seem to have been most extensive — though differing considerably in content — in the Soviet Union, Czechoslovakia and Poland. They have been much less far-reaching in other eastern European countries, though in Hungary drastic changes are being contemplated.

(i) The Soviet Union

The radical reorganization of industrial management decreed by the Supreme Soviet of the USSR on 10 May 1957 effected a devolution of current operation without any significant decentralization of ultimate control. The institutional changes have been presented as an alternative to the abuses of departmentalism and as a complement to a general simplification of administration and finance; but there are indications that they may lead also to a gradual equation of something like marginal cost with price. Strategic considerations may also have played a part in motivating changes which must tend to promote greater regional self-sufficiency.

Among the main targets for official criticism in the economic field since 1955 have been the autarkic tendencies of the industrial ministries and the inefficiency and costliness of unnecessarily detailed central control. Ministerial autarky was said to have led to undue disparities between costs of the same good produced in factories of the ministry formally responsible for its output and in those subsidiary plants frequently set up by other ministries to supply their own needs, as well as to waste of transport resources on cross-haulage.

In 1956 the first steps were taken in a few branches to restrict the possibility of setting up new plants where adequate production capacity already existed. In 1956, also, the governments of Union republics were authorized to administer some of the investment projected in their territories and, for a number of industries, were inserted into the chain of command between enterprises and the central ministries. In December of that year, the Communist Party Central Committee sought to constrain the incentives to ministerial autarky by diminishing the rate of industrial and fixed-capital growth so as to permit a short-run improvement in stocks and thus a general lessening of strains on material supplies throughout the economy. An annual plan incorporating this programme was approved by the Supreme Soviet in early February 1957; but as a result of changes in the composition of the Party Committee and the Government, other measures of reform were later introduced.

The latest reforms, elaborated in *Theses*, published under Mr. Khrushchev's name in March and accepted by the Supreme Soviet in May, officially came into operation on 1 July 1957. They seem to have been based on a belief that an easier supply situation would not by itself have tempted industrial ministries from their high-cost autarky, which had been stimulated by the complicated formalities attached to trading between enterprises subordinated to different ministries as well as by general pressure on supplies. The weakness of Gosplan's writ in the industrial ministries was revealed in the condemnation of the ministries rather than of Gosplan. The formal coordination of the ministries' output and investment plans by the State Planning Commission does not seem to have been very effective; and Mr. Khrushchev, in his *Theses*, observed that " every ministry draws up its plans for production and construction . . . without taking into consideration what is being done by other ministries ".

Numerous examples of the disadvantages of this system have been cited. Thus one ministry had enlarged its Kiev casting-shops to supply its other plants — one as much as 3,500 km away — even though in each town castings could have been supplied locally at less cost.[101] There is an example of a nitrate fertilizer works which could not buy more coke-oven gas from the steel-mills in the same town because each was under a different ministry, and of the prevention, for the same reason, of exchanges of concentrate and sulphur gas between neighbouring copper and sulphuric acid plants.[102] For lack of inter-ministerial catalogues, plants did not know the quality and type of materials they might order.

---

[101] *Pravda*, 30 March 1957.

The Regional Economic Councils

The 106 new regional economic councils (sovnarkhozy) are intended to be more efficient executives. All industrial enterprises and building-sites in any given area have been placed under their administration with two broad exceptions. The first comprises " local industry " — i.e., those plants retained by, or transferred to, municipal control or co-operatives which together now account for about one-quarter of the country's gross industrial production.[103] The second covers plants operated by those all-Union ministries which have been unaffected by the devolution — medium machine-building,[104] transport construction, railways and mercantile marine — as well as certain construction enterprises.[105] Certain other ministries or central departments remain but their plants are partially subordinate to the local sovnarkhozy. The sovnarkhozy have also been charged with the operation of the majority of plants run by non-industrial ministries (e.g., the Ministries of Health or of Culture).

According to the *Theses,* " the duties of the sovnarkhozy will include the elaboration and implementation of long-term and current production plans, the elaboration of plans for the specialization of enterprises, plans for co-operation in production and for reciprocal deliveries of raw materials and semi-finished products both within the region and to other regions and republics, and the elaboration of plans of material and technical supplies ".

Their immediate objectives would appear to fall into six groups. Firstly, they have been created with the elements of a certain self-sufficiency and should avoid importing from other regions what they can produce themselves — an objective dictated by the heavy strain on railway transport.[106] This objective is modified by a second — to eliminate the high-cost plants previously maintained by ministries. The first stage — of rationalizing production within a given area — is by all accounts being highly successful. To take examples from only two widely separated sovnarkhozy: in Moscow, 72 out of 180 casting shops and 22 out of 24 electrode shops have been closed without reducing output, and three plants now manufacture 100 types of pump in place of eight formerly producing 141 types; in Tashkent the production of cotton-spinning equipment, electrodes and nails, nuts and bolts has been concentrated into single plants. The second stage — of encouraging that part of inter-regional commerce which is based on real cost advantage — has hardly started (see below).

The third objective is to ensure the maximum use of local industrial capacity. In Georgia a railway repair shop has been converted for the manufacture of diesel locomotives, and the Samarkand Sovnarkhoz has been able to supply electricity from the Gizhduvan cotton-seed-oil plant to neighbouring cotton gins and thereby to cancel a 4 million rouble thermal power project.

Fourthly, each sovnarkhoz is expected to redistribute stocks and working capital advantageously among the plants of its area so as to improve the regularity of supplies; and progress in this field has in fact been reported, not only within sovnarkhozy, but also for individual plants and their suppliers in other regions.[107] As a fifth but cognate function, the sovnarkhozy should utilize the shares of profits left at their disposal as working capital (plus easier bank loans) for the modernization of their production methods and equipment; and the lack of initiative shown by factory directors under the former ministries is to be combated by the creation of a technical-economic council in each area.

Finally, the institution of the sovnarkhozy is expected to bring some release of civil servants, technicians and, to a lesser extent, clerical staff at enterprises for more productive work. Only part of the staff of the ministries abolished will find employment in the sovnarkhoz administrations or in an enlarged Gosplan; and the lessening of statistical reporting and its concentration on the Statistical Administration, together with the raising of the minimum value of a capital project requiring scrutiny by the central authorities,[108] should also help to free staff. The creation of warehouses for the free sale of certain materials and components to any plant in a region will do something to eliminate the middlemen (*tolkachi*) who made a comfortable, if not always legal, living by negotiating deliveries outside the regular supply channels.

---

[102] *Khimycheskaya Promyshlennost,* No. 5, 1957, p. 1.

[103] In contrast to the policy launched in 1955 of absorbing craft co-operatives into state ownership, the recent regulations have transferred some state enterprises (notably those collecting and processing waste-products) to co-operatives (*Promyslovaya Kooperatsia,* No. 7, 1957).

[104] As Mr. E. Slavsky, Head of the Chief Administration for the Use of Atomic Energy since its foundation, was made Minister of Medium Machine-building when it was selected for retention, its functions would appear to be of a special nature.

[105] Now operated by Republican Ministries of Construction (cf. *Planovoe Khozvaistyo* No. 8, 1957); about half of all construction is now administered by sovnarkhozy.

[106] Every sovnarkhoz in the R.S.F.S.R. (70 in all) has some metal-working and engineering, some building materials, some light and food industry and some woodworking capacity and the same is true of the eleven undivided republican sovnarkhozy. There is, however, less diversity within the 11 sovnarkhozy of the Ukraine, the nine in Kazakhstan or the five in Uzbekistan. (On transport problems, see the SURVEY for 1956, Chapter VI, pp. 7 and 10-11; and p. 22 above.)

[107] e.g., arrangements for supply of the Gorky motor vehicle plant by sub-contractors in other regions (*Pravda,* 3 January 1958).

Limits to the Powers of the Sovnarkhoz

All official statements on the recent reorganization have made it clear that its aim is, as the law put it, " the transfer of the centre of gravity of the operative management of industry and construction to the economic administrative areas " while strengthening " democratic centralism ". The controls built into the new system are more comprehensive and penetrating than those which sought formerly to harry the minister or manager into conformity with the State Plan.[109]

All key plans (building projects, production schedules, manning tables, etc.) must, as before, be submitted to the higher central authority. The plans of sovnarkhozy are submitted in the first instance to the republican Councils of Ministers (whose Gosplans are being strengthened) and in aggregated form to the USSR Council of Ministers. The power of each hierarch to alter plans and to countermand orders from a lower level is more explicit than in the past.

This subordination is made effective by numerous specific controls, of which the most important is the continuing, if mitigated, central control of supplies (which the *Theses* qualify as transitional). All commodities continue to be classified in three lists: " funded ", centralized and decentralized.[110] The schedules of " funded " materials (plans for the allocation of which have to be approved by the Council of Ministers of the USSR) and of centralized materials (plans for which have to be approved by Gosplan) appear to have been elaborated with three objectives in mind: to have absolute control over nearly all building materials, to exercise a selective control over key producers' goods and to ration a few scarce commodities. Into these two schedules fall all building materials — except unslaked lime, bricks, untrimmed stone, sand, ground chalk and wall-washes — and many railway materials, wire, cable and electric installation materials; among the key producers' goods included are flat steel, rolled products, ferrous scrap, tubes, tyres, conveyor-belts, sulphuric and nitric acid, caustic and calcined soda, all solid fuels,[111] petroleum products, asbestos, and even nuts, bolts and rivets; the goods subject to straightforward rationing comprise high-quality steels, ferro-alloy castings, nonferrous ores, seasoned timber, fertilizers, special workclothes, nearly all papers, special glass, rubber and rubber goods, certain technical fabrics and felts, oilcloth, sisal yarn, forty machines or classes of equipment and eight chemicals.

All goods on the " funded " and centralized lists must be compulsorily sold through Gosplan's new sales agencies (Glavsbyty), even if the consignee is within the same sovnarkhoz. The regional offices of the Glavsbyty conclude contracts with the purchasing departments of sovnarkhozy, who as a further check have to submit their buying estimates (material-technical supply plans) to Gosplan itself for goods on the fundamental list. Sovnarkhoz sales offices can dispose of decentralized products to enterprises or trade agencies anywhere, but their purchasing departments must submit their buying estimates to the local office of Gosplan even for these goods if brought from outside the sovnarkhoz.

Consumers' goods have been practically eliminated from the centralized lists, except for some goods closely associated with producer-good allocations (motor vehicles, writing and photographic paper, electric bulbs); but central control of key output nevertheless remains. Deliveries of seven commodities [112] (aggregating 24 per cent of retail turnover) are allocated — to Union-Republics, Moscow and Leningrad, the army, export and stockpiles — by decision of the Council of Ministers and 33 others (34 per cent of retail turnover) by the USSR Ministry of Trade.[113] All other consumers' goods produced by enterprises under the control of the sovnarkhozy have to be sold to the wholesale agencies of the Union-Republican Ministries of Retail Trade, unless sold in factory shops or canteens, and these agencies are also the sole buyers of the produce of local (municipal) industry.

The second group of specific controls are over the finances of the sovnarkhozy. Turnover taxes, formerly paid by central sales agencies, are now levied directly on enterprises at an unchanged rate, and profits are deducted to the state budget at virtually the same rate as previously — 69 per cent in the 1958 budget, against 71 per cent planned in 1957.[114] Transfers of profits to the budget are accounted not only by the sovnarkhoz, but also by groups of enterprises; and the Ministry of Finance is pressing for accountancy by individual enterprise.

---

[108] To 50 million roubles—previously 25 million roubles in heavy industry and 10 million roubles in other sectors (*Planovoe Khozyaistvo* No. 7, 1957).

[109] The schedule of regulations governing the activity and authority of the sovnarkhozy (required under section 21 of the law) has not been published, but the economic and technical press has described at length the experience of six months' operation of the system.

[110] The details of these lists and the structure of current control are described in A. N. Korytov, *Organizatsia i planirovonie materialno-technicheskogo snabzhenia zheleznodorozhnogo transporta*, 1957, especially pp. 17-19 and 33-35. The earlier regulations are readily available in textbooks on material-technical supply.

[111] Including even peat and firewood but excluding electric power, which figured on previous " funded " lists: this exclusion is to be explained by the retention of the Ministry of Electric Power Stations as an all-Union department.

[112] Flour, groats, sugar, leather footwear, cotton, wool and silk fabrics (*Sovetskaya Torgovlya* No. 5, 1957).

[113] Temporarily (by a Ministry of Trade regulation of 15 November 1956) certain other goods in short supply are still centrally allocated — radio sets, enamel utensils, glass and china ware, tulle, tobacco, soap, spices, starch and fruit.

The distribution of retained profits of enterprises (some 10 per cent of the margin between selling-price and production costs [115]) is in the hands of the sovnarkhoz, subject to certain restrictions. Fixed proportions of planned and over-plan profits must be paid into the " Enterprise Fund ", of which up to 70 per cent must be spent on workers' housing. Maxima are prescribed for working capital per unit of output and for physical inventories by amount and type of production.

Part of the funds transferred to the Budget are returned to sovnarkhozy as budget grants, mainly for investment; and they can also obtain bank credits for this purpose.[116] The sovnarkhoz has some flexibility in allotting its funds available for investment between projects; but as soon as some sovnarkhozy (in Uzbekistan, Kirgizia and elsewhere) began curtailing investment in heavy industry in favour of light industry and the construction of offices, the Government issued a decree setting narrow limits within which each sector of investment could differ from plan and making other transfers subject to agreement by the USSR Gosplan. A sector is defined as a department of Gosplan, very much corresponding to a former ministry and often with the former minister at its head.[117]

The supervision of the sovnarkhoz's use of the funds at its disposal seems comprehensive. Even current payments (for wages, purchases of materials, etc.) are subject to the scrutiny of the State Bank; and payments for investment, which must be made through the banks, will only be sanctioned if they conform with approved plans and if accepted prices and costs have been adhered to.

Thus, in addition to the control over the amount of the funds at the disposal of the sovnarkhoz, the use of these funds is subject to a two-pronged control constituted by the banks' scrutiny of payments and the central allocation of a wide range of materials and equipment. Approved plans for purchases of goods on the " funded " and centralized lists and construction plans are regarded as commitments undertaken by the sovnarkhoz. So far as industrial investment is concerned the sovnarkhoz appears to have little scope for varying its composition at will; and this seems in fact to be limited to the possibility of determining the location of smaller projects and the distribution of expenditures on replacement and renewals (including the possibility of transferring retained profits between enterprises) and to some degree of freedom to select equipment within the range of the decentralized list. In the field of current production, it seems that some freedom exists to vary assortment plans, within very narrowly defined sectors, in consultation with the trading agencies.

Overlapping all the built-in checks on deviations from the centrally-approved plans is the Soviet Control Commission. A supplementary check was introduced by a decree of 22 May stating that an enterprise plan would be considered not to have been fulfilled — and permission consequently withheld to pay managerial premia or to over-spend the wages fund for production above plan levels — unless the planned deliveries had been made.

The retention of certain industrial ministries since the reorganization has already been mentioned. Enterprises connected with transport and trade remain wholly outside the competence of the sovnarkhozy; [118] and all-Union Ministries of Electric Power Stations and of the Chemical Industry — and State Committees for Aviation Technology, Defence Technology, Radio-Electronics and Shipbuilding — remain, even though their plants are subordinate to sovnarkhozy. A description of the functions of the Ministry of the Chemical Industry may well reflect the situation in other such reserved sectors: " The Ministry . . . must not engage in the operational work of the enterprises . . . but must concern itself with long-term and current planning, the introduction of new technology and more efficient apparatus, widening the variety of products, guiding research laboratories, exchanging experience and studying the correct siting of new plants and choice of new projects." [119] This implies that all development work in these industries is run from the centre.

In many republics, some republican ministries (which have no central counterpart) have been retained. The RSFSR Ministry of Timber may be cited as an example: it must " not interfere with the productive activity of sovnarkhozy . . . but guide the development of particular areas, check the fulfilment of output plans, study and disseminate domestic and foreign techniques . . . and ensure rational use of forest resources in conjunction with the full satisfaction of the needs of the whole USSR; prevent disproportions arising in individual sovnarkhozy; ensure the construction of large mills in heavily afforested areas; ensure the floating of timber on rivers flowing through many regions and cut irrational haulage by rail".[120] In these sectors, planning, technical policy, investment, manpower and wage-problems will be supervised by the republican ministry.

---

[114] The one significant change here is that in previous years enterprises surrendered, in addition to current profit deductions, their " excess working capital " outstanding at the end of the previous year. Whereas these amounted to 6.4 billion and 4.5 billion roubles at end 1955 and 1956 respectively, they were only 1 billion at end 1957. For the tax receipts see Appendix Table XXXIX.

[115] A. Zverev, *Planovoe Khozyaistvo* No. 3, 1957, pp. 17 and 23.

[116] Local bank managers may now grant two- or three-year loans of up to 2 million roubles for the introduction of new techniques, but all other credits must be approved by Head Office (*Dengi i Kredit* No. 6, 1957).

[117] To create a special castings-shop for its area, the Voronezh Sovnarkhoz wanted to transfer capital funds earmarked for other enterprises in the area to the agricultural engineering plant where the shop was being constructed; the Gosplan departments concerned refused this transfer.

[118] As do the special plants of the Ministry of Medium Machine-building, already mentioned.

[119] *Khimicheskaya Promyshlennost* No. 5, 1957, p. 4.

A final control is that described in the *Theses* as " political guidance ". The transfer of industrial management to the local authorities (oblast and municipal councils) was considered but rejected; and it may be comprehended that policies reserving resources for local consumption would more readily appear, and be less easy to reverse by political guidance, among the multitude of local deputies than among the fewer than 2,000 board members of sovnarkhozy.

The Position of the Enterprise

The changes that have been made seem to some extent to reverse the earlier moves towards giving more responsibility to directors of enterprises — for example, the tighter definition of plan fulfilment just mentioned and the control of the sovnarkhozy over the distribution of the retained profits of enterprises. Moreover, the near-by board of the sovnarkhoz may well prove a more determined supervisor than the former ministry in Moscow,[121] though it must be remembered that local industry is outside sovnarkhoz control.

It has also been stated that trade unions are to have increased opportunity for entering into such matters as production planning, management and rate-setting.[122] However, the significance of changes in this field is not yet clear.

The Problem of Local Autarky

After the first six months of operation the authorities seem to feel that the controls instituted against " the harmful tendencies of a narrow, local approach running counter to the general interests of the State "[123] could be made more effective; and Mr. Khrushchev in December enjoined on sovnarkhozy not only priority delivery, but also the allocation of superior qualities of product for orders from other areas.[124] Examples of the preferential supply of local plants have been reported from the Udmurt Sovnarkhoz, which supplied its own factories with 24 petrol-driven railcars while not fulfilling orders for elsewhere, and from the Perm and Omsk sovnarkhozy, which did the same with timber. The failure of the Stalino Sovnarkhoz to produce girders and channels held up construction sites all over the country; the Kulebaki metal works showed a shortfall on crankshaft output because a Kolomna engine factory stopped delivering semi-finished shafts, and production lines in the Dimitrov excavator plant and the Riga rolling-stock works ran intermittently because of irregular deliveries from enterprises in Votkinsk, Rybinsk and Moscow. The output of high-quality winter clothing and footwear in the Leningrad and Gorky Sovnarkhozy respectively was reduced, in face of heavy demand, for the sake of higher profit.[125]

Prices and Costs

While shortages of certain supplies and irritating formalities in trading between sovnarkhozy may well be the main factors leading to difficulties of this kind, they may be aggravated by the fact that high cost plants set up in the past by one ministry or another, and subsidized out of the returns of the same ministry's profitable plants, may have been inherited by a sovnarkhoz which does not need to use their products within its own boundaries. It is most unlikely then to wish to run them at a loss for the benefit of purchasers elsewhere.

In most cases, the concentration of output into specialized plants and the closure of inefficient shops seem to have based upon cost comparisons internal to the sovnarkhoz. But a few cases have appeared where the authority has been concerned with the centrally fixed selling prices obtainable. Thus, the Sverdlovsk Sovnarkhoz found that its standard cutting and fitting-clamping tools were costing four to five times the selling price.[126] Its closure of production in those shops may be considered as an adaptation of average cost in the marginal plant to price.

The Minister of Finance has stated that " The system of retail and wholesale prices must be reviewed: it is impossible that the price at which a good is sold to enterprises or to the population should be below production cost. Economists and plan agencies should give attention to the assurance of profitable operation at every enterprise and put an end to the production of articles sold at a loss." [127]

---

[120] *Lesnaya Promyshlennost* No. 6, 1957, p. 3.

[121] Soviet commentators nevertheless foresee an extension of the autonomy of the directors of enterprises in future.

[122] *Sovetskaya Rossia*, 19 December 1957.

[123] *Theses* (*Pravda*, 30 March 1957).

[124] *Izvestia*, 25 December 1957; a decree promulgated soon after the reorganization had in fact formally required priority for orders external to the sovnarkhoz.

[125] *Pravda*, 12 and 20 December 1957 and 13 January 1958.

[126] *Planovoe Khozyaistvo* No. 11, 1957, p. 67. In one instance a sovnarkhoz discovered a negative price: a Kazan works was found to be continuing the production of large numbers of a type of compressor for which it was well aware that no market existed; the output figured, however, in the plan handed down to it and the plant was incurring interest charges to finance unsold stocks. (*Finansy SSSR* No. 11, 1957, p. 42.)

Three moves have recently been made towards a more rational system of cost calculation and price fixing. First, a comprehensive overhaul of depreciation charges is to be completed by June 1959 on the basis of a census of capital assets and revised methodologies.[128] Secondly, revised zonal building price-lists were introduced at the end of 1956 but are again being subject to a close scrutiny in which numerous anomalies are being found.[129] Thirdly, retail price-fixing has been devolved to the Union-Republican Governments with respect to a number of foods and retail services: as a result, about 45 per cent of retail turnover in 1957 was traded at such locally fixed prices.[130]

If in fact prices are eventually fixed at something like the average costs of the marginal enterprise — with only part of the surplus accruing to more efficient plants being taxed away — this should tend gradually to concentrate output in the more efficient enterprises and to increase the influence of consumers' choice on output patterns in the consumer-goods sector. However, it is bound to give rise to difficulties in the adjustment period when the interests of the sovnarkhozy may well clash to some extent with the short-term aims of the national production plan.

(ii) Eastern Europe

Although the changes that took place in 1956 have been carried somewhat farther in most eastern European countries during the last year, there has been no such complete recasting of the system of economic management as has occurred in the Soviet Union.[131] Moreover, it is fairly clear from the public discussions and official statements of intention during the last year that future developments are likely to vary somewhat among the various eastern European countries, and to differ from the measures taken in the Soviet Union — these variations reflecting, in some instances, basic differences in the economies of the individual countries.

Thus the mere contrasts in size between the Soviet Union and the countries of eastern Europe produced differences in the problems raised by excessive centralism, and the solution sought through regional devolution of management in the Soviet Union constitutes a less than perfect pattern for the other countries. Moreover, the smaller size and less comprehensive endowments of natural resources of the eastern European countries make the recent increase in the emphasis placed on long-term planning of basic sectors, and on the international co-ordination of these plans, of more economic importance to them than to the Soviet Union for which the costs of autarky are so much less. Thus the need to rationalize principles of price formation and to reform existing price structures is also a matter of more moment to the eastern European countries than to the Soviet Union, quite apart from the advantages of such a change as part of the measures to encourage economic efficiency at the enterprise level. Recent discussions on pricing policy in these countries are referred to below.

Changes in Central Planning

The decision to develop ten- to fifteen-year plans for key sectors, referred to in Section 5 above, has been accompanied by increased activity on the part of the Council for Mutual Economic Aid. Comprehensive machinery for consultation has been set up and arrangements made for the presentation in comparable form of national data and plans, and consultations on a number of key sectors have been carried some distance.[132] So far as planning for shorter periods is concerned the lessening emphasis on the five-year plans, except as general guidance to those concerned with the formulation of annual plans, has already been mentioned. The main development in the techniques of drawing up the annual plans during 1957 has been the continuing tendency to reduce the number of production targets handed down by the central authorities, while local authorities or enterprises have been given more responsibility for the fixing of detailed targets and for the determination of assortment plans.

The transfer of a certain amount of responsibility to provincial and municipal authorities — particularly in the fields of agriculture, trade, transport and small-scale industry and handicrafts, which began in 1956, also continued in most countries last year. Many small-scale enterprises were transferred to local governments in eastern Germany and in Rumania; and the already considerable responsibilities of the local authorities in Poland were further extended, particularly in connexion with measures to alleviate local unemployment.[133]

---

[127] *Planovoe Khozyaistvo* No. 3, 1957, p. 20.

[128] *Planovoe Khozyaistvo* No. 3, 1957, pp. 95-96.

[129] *Finansy SSSR.* No. 11, 1957, p. 57.

[130] Compared with 10 per cent in 1956, when the practice was introduced only for vegetables and fruit (*Sovetskaya Torgovlya* No. 8, 1957, p. 2).

[131] While this chapter was in process of printing the proposals in eastern Germany referred to on page 41 below have been implemented.

[132] See *Economic Bulletin for Europe*, Vol. 9, No. 3, p. 18.

[133] See Chapter VII, page 47.

Increased Autonomy for Enterprises

The measures introduced during 1956, in Poland and Czechoslovakia especially, devolving some responsibility for economic decisions to enterprises[134] were not carried significantly further in 1957, and in some cases it was found that the formal granting of increased independence in one field was nullified by the retention of some other less immediate, but still effective, control. The main disadvantages of the existing system were still apparent — disregard of costs, a tendency on the part of managements to avoid difficulties by setting production targets low enough to be sure of being able to over-fulfil plans and by avoiding new experiments of any kind, a pervasive lack of enthusiasm and initiative, and a feeling of frustration among technicians hampered both by excessive formalities imposed by the administrative machine and by reluctance on the part of managements to take risks with new processes or new production.

In both countries the discussions of the last year seem to have led to decisions, not yet firm in every detail, again to extend the competence of the enterprise in a number of directions. The new policies were set out in Poland in *Theses* published by the Economic Council in May and confirmed by the Council of Ministers in July. In Czechoslovakia, widespread discussions, which have included indications of official views, will be followed by the Eleventh Congress of the Communist Party to take decisions early in 1958.

The intention appears to be to make output plans more flexible, both by setting the over-all plan for each enterprise for a period longer than one year and by prescribing the commodity composition of output only to the extent necessary to ensure that targets for those goods particularly important for the national economy are achieved. Supplies of scarce materials will continue to be allocated by the central authorities, but other goods will be traded among enterprises, or between enterprises and trading agencies, preferably under long-term agreements and generally at fixed prices. In Czechoslovakia this trading would take place without reference to higher authority; but in Poland it would for the time being remain subject to the consent of the appropriate Industrial Board or other central authority.

Although this system is not yet operative in industry in either country, certain changes affecting retail trade were introduced in Poland in February 1958. Retail trade enterprises in Poland were handed over to local governments in 1957. Under the new regulations they are permitted to choose the assortment of goods they wish to stock, except of course for those goods subject to government allocation, and to choose their suppliers. The prices at which they buy from enterprises and the retail margins are fixed; but they can increase the margins, within limits, to cover extra services to customers and any work done in improving the quality of the goods. Such work can be done within the enterprise or can be commissioned from other enterprises or handicraft shops; and the enterprises can also undertake repairs and maintenance work on equipment sold by them. Restaurants can choose their menus and can fix prices on the basis of their own cost calculations.

Retail margins have been increased,[135] but enterprises now have to pay interest on their bank credits and rent for their premises, and retained profits can be used either to build up working capital or to invest in the enterprise in other ways.

The wage system for trade employees has also been changed. Under the old arrangements the fewer who worked in a shop the higher the individual earnings could be. Now, however, basic wage rates, with a supplement related to the turnover of the enterprise, are the rule; and it is expected that the numbers employed in retailing in the socialist sector will rise by about 35,000 in 1958 with a corresponding improvement in service to the consumer.

The new retail trade system could clearly tend to encourage some competition among industrial enterprises in the consumer-goods sector and to transmit the consumer's wishes far more directly to the producer than has been possible in the past. How far a spur to industrial efficiency will be created and the composition of output of consumers' goods be influenced — with any given pattern of centrally fixed prices — is likely to depend mainly on two factors: first the extent to which materials and components for consumers' goods production are in fact traded freely among industrial enterprises rather than being subject to allocation, and, secondly, the success of the authorities in so holding the balance of over-all supplies of consumers' goods and aggregate personal incomes as to produce conditions approaching more nearly to those of a buyers' market than they have ever yet done in the post-war years.

The contemplated relaxation of some of the controls over short-term production patterns in Czechoslovakia and Poland will apparently be accompanied by some decentralization of investment decisions. It

---

[134] See the SURVEY for 1956, Chapter I, page 41.

[135] Examples are as follows:

Commodity	*Percentage margins* [a]	
	Old	*New*
Textiles, clothing, footwear	8	10
Soap and soap products	8	10
Tobacco	4	7
Sugar	3	6
Salt	12	25
Grain products, vegetable oil	8	12
Vinegar	10	15

Source: Rolnik Spoldzielca, Warsaw, 1 December 1957.
[a] Socialist trade only.

has been stated that 60 per cent of all industrial investment in Czechoslovakia in 1958 will be carried out by state and local authority owned enterprises from funds under their control, and it appears that between one-fifth and one-third of all industrial investment in Poland will similarly be decentralized. The funds from which enterprises will finance this investment will be fed mainly from the enterprise funds (discussed below), from sums set aside for amortization and from bank credits which will be more readily available than before to finance repairs and replacement of fixed capital.

These measures seems to be intended mainly to encourage better maintenance and replacement of fixed capital by enterprises. New investment projects and major extensions of capacity will, it seems, still be financed mainly by budget grants and will be subject to central decision — though to less detailed central control than in the past. Enterprises will apparently have more scope than before to determine the kind of capacity extension or replacement they will undertake within the limits of their broad industrial branch, and subject also to the availability of equipment. As might have been expected, both the central control of finance for investment and the control over the distribution of construction materials and capital goods seem likely to be relaxed in the near future to a rather greater extent in Czechoslovakia than in Poland, where the pressure on resources is much more acute.

In both countries, enterprises are also to be given somewhat greater independence in managing their working capital through the setting up of turnover funds which, with bank credits, will be more completely under the enterprise's control than similar funds were in the past.[136]

All these activities of industrial enterprises, as has been mentioned, are to be carried out within the framework of centrally approved plans, determined after consultation with the enterprise, which lay down "control figures" related to supplies of scarce materials, centrally financed investment and the assortment plan (in quantitative terms) for production of key commodities. In the field left free for enterprise initiative — circumscribed by these basic plans, by the limits set by the enterprise's dependence on central finance and by central control of purchases and sales of key commodities — the systems of incentives influencing managements and workers are also to be revised.

In both Poland and Czechoslovakia the intention is, apparently, to move away from the concept of gross output in setting plan targets at the enterprise level and in calculating achievement. It is suggested that the measure of an enterprise's success should be its profit, measured as the difference between the proceeds of sales of its products and all costs including capital charges. As before, part of profits will be retained in the enterprise fund and used to supplement basic wages and salaries, to provide amenities of various kinds and for productive investment in the enterprise. In Poland the workers' councils will decide how the enterprise fund is to be used, subject to the general regulations governing the proportions to be allocated to each main purpose. In Czechoslovakia the power of decision, again within the general regulations, will rest with the managers of enterprises. In both countries one of the results — once the new system is introduced — will be to relate the earnings of workers and managers more closely to the profitability of the enterprise.

The new wage structure foreseen is one in which existing basic wages in an enterprise will rise automatically, as the average productivity of workers in that enterprise increases, according to coefficients set for a five-year period. Additional supplements to these wages will be provided out of the premia available from the enterprise fund, to be distributed in Poland according to the decisions of the workers' councils and in Czechoslovakia by managements in consultation with the trade unions. In both countries it seems probable that the premium fund will be related more to the increases in profits over the preceding year than to the absolute level of an enterprise's profit. It is expected that in Czechoslovakia, on the average, it will give managers control over the distribution of about one-quarter of the total wage fund available for employees in their plants.[137]

One effect of this reform may be to reverse, to some extent, the tendency apparent in the wage reforms of 1955 and 1956 to reduce disparities between basic wages and actual earnings,[138] and it must tend to increase the differences from plant to plant in rewards for equally conscientious work and similar skills. It seems clear that such a system can hardly work satisfactorily without a reform of cost accounting and of price structures. For example, unless a rational method of calculating and covering capital costs is enforced upon enterprises, one enterprise may make lower profits than another simply because when the new system starts it is unlucky enough to be equipped with out-of-date machinery, which inflates its current operating costs, while it has to pay amortization charges similar to those paid by enterprises with up-to-date equipment. Moreover, unless either there is in effect a buyer's market or prices at which the enterprises can sell are very finely adjusted to quality differences — and, as between goods in the same general range open to an enterprise, to the " normal " differences in costs of production — the temptation to inflate profits by depressing quality, or by avoiding production of those goods on which the possibilities of profit are least, will be as strong as is the temptation now to adopt similar methods in order to over-fulfil gross output targets.

---

[136] In Poland some of these reforms have already been brought into operation by a decree of 19 November 1957 giving state enterprises the right to carry out capital repairs and replacements and to finance them from their own resources or from bank credits instead of, as before, from budget allocations. Other decrees granted enterprises and local governments the right to a greater use of bank credit to provide working capital.

[137] All statements in this paragraph are based on a report in *Zycie Gospodarcze* No. 50, 1957. The high proportion of the total wage fund expected to be at the disposal of managers in Czechoslovakia may reflect a decision to make the remuneration of managers depend to a much greater extent on the profitability of their enterprises. It has been suggested that the premium available to managers in successful enterprises should be as high as the average basic wage of managerial staff.

[138] See Chapter VII, Section 3.

The Polish Discussions on Price Formation

In Poland there has already been some discussion of the possibility of charging enterprises with interest on fixed capital, and clearly the fixing of depreciation charges is not to be left entirely to the discretion of the enterprise. A document issued by the Economic Council last year summarizes the discussions on price formation and presents *theses* not yet firmly agreed to by all members of the Council.[139]

It is proposed that the revised domestic price structure be built up from a basis of domestic raw material prices which are related to world market prices at a unitary exchange rate, though with some smoothing of seasonal fluctuations in world prices and some adjustment of relative prices to reflect different relative scarcities on the Polish market. For all manufactured goods the point of departure in price-fixing would be the " basic price ", which would represent more or less the unit cost of production in a relatively high cost enterprise in the branch of production concerned. The unit cost of production would include all overheads, including interest on fixed and working capital, and a " normal " rate of profit for all industry.

In general, the prices of producers' goods (both the selling price and the buying price to the enterprise) would be the basic prices, subject to supplements in cases of scarcities which cannot rapidly be overcome by raising production. It is not clear whether such supplements would swell the profits of the producing enterprise or whether they would be in the nature of taxes.

For consumers' goods the structure of prices might, it is proposed, vary from that of the basic prices for two main reasons. First, the over-all price level for consumers' goods must be such as to hold a reasonable balance between the supplies available (determined by central decisions on the share of national income to be devoted to consumption) and aggregate personal incomes. Where an over-all price level higher than that given by the basic prices is necessary, individual supplements to basic prices should take account of varying price elasticities of demand. But this principle may be modified for social reasons.

No automatic rule will determine whether, when the price charged to the consumer diverges from the basic price plus the normal retail margin, this difference is reflected also in the price received by the producing enterprise. If there is no particular social or economic reason for deliberately limiting or expanding the output of a particular good, high prices reflecting temporary scarcity may be passed on to the producer to encourage an expansion of output as, with a contrary object, may low prices reflecting a level of output greater than the market can absorb at the current basic price. In other cases taxes or subsidies may be used to regulate output and consumption on social grounds.

Two main criticisms of these proposed principles have been advanced: first, that an approximation to marginal cost pricing may give too high profits, and too little incentive to economic efficiency, to those enterprises which are thus assured of a comfortable profit margin and, secondly, that price relations which to a large extent reflect a temporary market equilibrium might have an undue influence on investment decisions. However, the balance of opinion seems to be in favour of the adoption of such principles.

Once adopted, their application will be in the hands of the State Price Commission, which will set some prices directly[140] and supervise the activities of other agencies with price-fixing powers. Industrial associations and enterprises will be given more authority to fix prices, sometimes within ranges specified by the central authority, and the supervisory powers of local authorities over the fixing of consumers' goods prices are to be increased.

If such a system comes into operation in Poland it should tend to permit more rational decisions on foreign trade than have been possible in the past, to help provide appropriate incentives for enterprises and — with other measures already mentioned — to help to transmit consumers' choice more directly to those responsible for production. To introduce it in the near future would, however, present serious difficulties, since it would almost certainly lead to a disturbance of the general consumer price level which would be unwelcome while present market pressures persist; and it seems that no substantial changes are in fact contemplated during 1958. In Czechoslovakia some price changes have been introduced in 1958, but there are few details yet available about the principles now being followed.

---

[139] *Zycie Gospodarcze* No. 51-52, Warsaw 1957.

[140] Those of basic raw materials, of some essential consumer goods, of some investment goods, of goods where danger of monopoly exists, and of goods for which scarcity of supplies strictly limits production.

The Role of Workers' Councils and of Trade Associations

Much of the discussion of pricing policy and of the criteria for measuring the success of an enterprise has, in fact, turned on the basic question how far incentives should be substituted for control as means of managing the economy in accordance with the central plans. In Poland the devolution of much of the responsibility for decisions at the enterprise level to workers' councils must tend to make the question even more important than in, say, Czechoslovakia, where the manager's authority in the enterprise is complete, as is his ultimate subjection to the ministry that appoints him.

The workers' council in Poland exercises wide control over the enterprise within the limits of the relevant laws and regulations. The manager is nominated or recalled by the superior authorities on the council's recommendations: he is a member of the council, represents it in outside contacts and directs the enterprise in accordance with its resolutions. He can disregard its resolutions only if they conflict with regulations or with the plan, and any dispute between the manager and the council on such a point must be referred to higher authority.

The devolution of authority to the enterprise director and workers' council also raises questions of the need for intermediate organs between the enterprise and the central government agencies. In Poland it has been suggested that trade associations, to which all enterprises have to belong, might be given some authority to distribute investment funds, set prices, etc., and that special associations (" social trusts ") with much greater managerial responsibilities might be set up in certain sectors — for example, a trust to control the shipyards and all the subsidiary industries supplying materials and equipment to them, or an export trust to deal with trade in some standardized food products. However, the actual development of the responsibilities of trade associations has not been carried much further during the last year.

This is also true of Czechoslovakia, where the current discussion seems to envisage that some enterprises will remain directly subordinate to ministries while others will be organized in trade associations. The associations will have some responsibility for the distribution of investment funds and for co-ordinating purchases and sales by their enterprises, as well as for provision of technical services. In neither country is the future scope of the activities of the associations yet determined, neither is it yet clear — in Czechoslovakia, at least, whether they will be essentially organizations in which the initiative comes from below — i.e., from the enterprises — or whether they will in effect replace the directorate of a former ministry and be subordinated in all important matters to some central authority.

The " Experimenting Enterprise " in Poland

Rather more than a year's experience of the Polish " experimenting enterprises ",[141] of which there were 45 in 1957, has produced some results which underline both the advantages of greater enterprise autonomy and the need for careful adjustment of incentives once controls are relaxed.

In the investment field, the right to choose contractors to carry out investment work is said to have led to cost reductions; and ability to use amortization funds at will has led some enterprises to undertake capital repairs and others to choose instead to invest in new equipment, basing their choice on estimates of likely returns. Greater freedom to modify production plans and to organize sales, together with a more generous provision of working capital, have all shown good results in terms of profits; but it is concluded that interest charges on working capital are essential to induce reasonable economy. As was to be expected there was an immediate tendency to switch production towards the most profitable goods, but the increased profits earned were also the result of larger increases in output and greater cost reductions than were achieved by the general run of enterprises in the same industries.

A further encouraging factor was that freedom to determine individual wages and employment within the limits of the over-all wage bill did not usually lead to any considerable dismissals of workers. It produced a tendency to raise basic wages at the expense of premia — other than those resulting from profit sharing — and the growth of productivity in the experimenting enterprises was greater than the average for the comparable industries.

Developments in Eastern Germany

The main reforms so far carried out in eastern Germany have been the transfer of many small-scale industries to provincial and local authorities in January 1957,[142] a reform of the wholesale price system — now practically completed — which relates prices paid to producers to costs in a " typical " enterprise, and a law of January 1958 on the general contract system which generalizes commercial methods of trading among enterprises. Nevertheless, there appears to have been little effective relaxation of central control and the earlier suggestions that workers' councils might be set up have not been implemented.

---

[141] See the SURVEY for 1956, Chapter I, p. 43, and, for a recent assessment of the results, *Nowe Drogi* No. 12, 1957, pp. 107 *et seq.*

[142] Retail trade enterprises were already under the control of provincial authorities.

At the meeting of the Central Committee of the Socialist Unity Party held in October 1957 it was made plain that future reforms would be designed to strengthen the effectiveness of central planning and to maintain central control over all but minor management activities. The majority of industrial ministries will be dissolved and their functions transferred to the State Planning Commission, which will have divisions corresponding to the various branches of industry. The operative functions of the ministries will be performed by new associations of enterprises grouped according to industrial branches (Vereinigungen volkseigener Betriebe) and only a few very large enterprises will remain directly subordinate to a central authority.

The new associations will include the enterprises under provincial and local authority management, as well as those formerly under the ministries, and they will be responsible for the allocation of scarce raw materials, for inter-enterprise trading and for the distribution of planned investment within each industrial branch. District planning commissions and provincial economic councils, both subordinated to the State Planning Commission, will watch over the fulfilment of plan targets.

The numbers of production targets have been reduced, but centrally approved plans nevertheless remain very detailed, covering even the numbers employed in an enterprise. Given the strain on eastern German resources and the pressing foreign trade problems of the area, it is hardly surprising that the authorities are reluctant to risk relaxing control over the distribution of resources except for minor details.

Rumania

The trend towards devolution of economic management is also apparent in Rumania. The number of ministries was reduced from 26 to 16 in 1957 with a 20 per cent reduction in central administrative staffs. Local governments have been given the control of small-scale enterprises, and they also receive a share of the above-plan profits of large enterprises located in their territories.

The number of plan targets has been reduced, and for some consumers' goods enterprises may modify their output plans in agreement with trading organizations without reference to higher authority. There has also been some slight relaxation of controls over inter-enterprise trading. Enterprises are now able to create enterprise funds which can be drawn upon to pay premia to workers and to provide social welfare services, but not, apparently, for investment purposes. The amount that can be drawn from the fund is conditioned by success in fulfilling the plans for the assortment of goods produced, for costs of production and for profits.

Hungary

In Hungary the workers' councils set up at the end of 1956 were formally dissolved in November 1957, and replaced by workshop councils with a majority of centrally-nominated members. They have limited powers of decision, covering profit distribution and social investment from directors' funds, and the right to be consulted on output and investment plans.

A " committee of economic experts ", of a semi-official nature, has put forward suggestions for further changes in the system of economic management.[143] These provide for the elaboration of the details of plans by enterprises and for the adoption of profit rather than the level of output as the standard of success for an enterprise. Prices, credits for new investment, rates of interest on fixed and working capital and very precise formulae for calculating costs would all be centrally determined. The employees of an enterprise would share in the profits after certain deductions. A small percentage of profits would flow into a social fund (replacing the present director's fund), 10 to 15 per cent would flow to the enterprise reserve—part of which would be used for replacement and extension of equipment; and profits tax would be deducted according to a progressive rate based not on the ratio of profits to gross sales, but on the ratio of profits to the annual wage fund.

More flexibility in the price system is also suggested. The general principles contemplated seem to be somewhat similar to those proposed in Poland, though with more modifications to meet the difficulty of setting prices in relation to the costs of the " typical " or the " marginal " enterprise in Hungary, where there are many products which are produced only in one or a very few enterprises.

Comparisons with Developments in Yugoslavia

There are some similarities — but more striking differences — between the changes being introduced or contemplated in some eastern European countries and the methods of economic management that have been developed over the last seven years in Yugoslavia. The authority given to workers' councils in Poland, the proposed closer relation of the earnings of workers and managers to the profits of their enterprises in several countries, and the apparent intention in Poland

---

[143] See *Közgazdasági Szemle*, October and December 1957.

and Czechoslovakia eventually to allow market forces a greater influence over short-run production patterns in the consumer-goods sector are all reminiscent of certain stages of the development of the present Yugoslav system. However, enterprise autonomy has been carried much further in Yugoslavia than appears at present to be contemplated in any of the eastern European countries. The preservation of central control over the rate and — as among broad economic sectors and industrial branches — the distribution of investment is a basic objective in Yugoslavia as in eastern Europe, but the reliance on financial and fiscal measures rather than physical controls for inducing conformity with central plans is a feature of Yugoslav practice which seems unlikely as yet to be duplicated in the other countries. The abandonment of central price-fixing, except for a few commodities, in Yugoslavia is also in marked contrast with the insistence on continuing control of most prices in the countries of eastern Europe.

Chapter II given to FR

between demand for a country's exports and its own income, at the other. Gross capital formation stands somewhere in between, depending, as does private consumption, on the general level of incomes, but being at the same time more autonomous in character.

Practical considerations have in the main dictated this choice, which, although satisfactory in the first stage of the analysis, could be usefully improved by a further break-down of total demand. In their impact on private consumption, for instance, government policies can be highly selective and can affect differently consumption of food items, of textile production or of durable consumers' goods (e.g., through hire purchase credit policy or taxation). In the same way, gross capital formation by the private sector shows a reaction different from that of public investment to a given restraint or stimulus, and expenditure on construction may react differently from expenditure on equipment. For practical reasons, it has been possible to use such a refined break-down only for the OEEC member countries combined, and the results appear in Table 8. There is no doubt that the next step along the line of the present analysis should be a similar treatment of final demand in each country separately.

On the output side, the origins of resources have been studied in greater detail, as can be seen from Tables 8 to 15. Among the various elements in total costs, two — expenditure taxes and imports — do not represent any domestic economic activity, which is reflected only in the value added by the service sector and by commodity-producing industry. As was pointed out in the 1953 study, the main difference between the service sector and commodity-producing industry is essentially that a given increase in expenditure ultimately generates more production (through both its direct and its indirect effects) when its initial impact is largely on commodity-producing industry than in the alternative case.[8]

This leading role of commodity-producing industry in the process of economic change justifies, in a cost-structure analysis, its separate treatment from the service element. In the 1953 study, only four cost elements were in fact distinguished — expenditure taxes, imports, services and commodity-producing industry. The lack of available material was the main reason for this limitation, and the marked improvement since 1953 in the quantity and quality of data available has allowed a finer analysis of the cumulated cost structure to be made in the present study. Within the commodity-producing sector, agriculture is on this occasion shown separately from industry, which in turn is divided into eight main branches,[9] and among the services, transport is shown separately.

There is much to say in favour of such a distinction. Agricultural output, for instance, depends almost entirely on the level of private consumption, as does the output of textile products (except for that part which is exported), whereas the output of the engineering and the building industries depends much more on the behaviour of capital formation. Moreover, the possibility that a particular increment of demand might impinge upon known capacity bottlenecks can hardly be identified without some break-down of the " industry " sector.

As has been mentioned in section 1, the establishment of stable structural coefficients would require a more refined analysis both of the origin of resources and of the components of final demand. The assessment, for instance, of the impact of a given change in private consumption on the output of the engineering industry becomes more significant when the components of the change in private consumption (e.g., food, textiles, durable consumers' goods, etc.) are known.

But, in spite of such a major shortcoming, and notwithstanding a certain lack of comparability as between countries in the coverage of the various industrial sectors, the results of the analysis have been found of sufficient interest to be shown explicitly in Tables 8 to 15. These tables are practically self-explanatory: Table 8, for instance, shows that to a total of $124.9 billion of goods and services privately consumed in 1953 in the OEEC countries combined, the agricultural sector contributed a value of $20.9 billion. This last amount represents the net value added (at factor cost) by the agricultural sector incorporated in all the goods and services consumed, and it differs from the final value of agricultural goods privately consumed during the same period ($45 billion at factor cost). Similarly, the total value of all imports contained in the goods consumed is shown to have amounted to $13.3 billion.[10]

These tables have been summarized in Table 1, which shows in the form of percentage coefficients the cumulated cost structure of the various components

---

[8] The main reasons for such a difference were stated as follows: first, the greater degree to which changes in the demand for output of commodity-producing industry requires corresponding changes in the volume of input; second, the greater sensitivity of investment expenditure in this sector to changes in the level of output of the sector; third, the closer link between variations in activity and variations in the incomes of employees in this sector. (See *Economic Survey of Europe in 1953*, Chapter 2, p. 30.)

[9] They are mining and quarrying; food, beverages and tobacco; textiles; chemicals; basic metals and metal products; other industry; construction; public utilities. For a definition of these sectors in terms of the United Nations International Standard Industrial Classification of all economic activity, see Appendix B.

[10] I.e., all imported goods and services directly consumed in the private sector or used up in the process of production of other goods and services entering into private consumption.

TABLE 1

Cumulated cost of final demand in western Europe in 1950

Percentages

Origin of resources	Final demand									
	Consumption		Gross fixed investment	Exports	Total demand	Consumption		Gross fixed investment	Exports	Total demand
	Private	Public				Private	Public			
	OEEC member countries combined [a]					**France**				
Net output of:							[b]	[c]		
Agriculture, forestry, fishing	17	—	1	6	12	20	1	1	10	14
Industry	26	17	69	56	34	22	13	61	57	31
Transport, trade and services	32	75	12	21	33	32	78	12	14	32
Imports	11	5	11	14	10	10	3	12	15	10
Indirect taxes *minus* subsidies	14	3	7	3	11	16	5	14	4	13
TOTAL	100	100	100	100	100	100	100	100	100	100
	Western Germany					**Italy**				
Net output of:										
Agriculture, forestry, fishing	12	1	2	5	8	31	—	1	15	23
Industry	24	22	66	66	36	23	13	67	43	30
Transport, trade and services	35	68	12	11	32	21	82	7	24	25
Imports	13	4	11	14	12	10	4	16	16	11
Indirect taxes *minus* subsidies	16	5	9	4	12	15	1	9	2	11
TOTAL	100	100	100	100	100	100	100	100	100	100
	Netherlands					**Norway**				
Net output of:		[d]	[e]					[f]		
Agriculture, forestry, fishing	10	—	4 [g]	10	8	13	1	4 [g]	14	10
Industry	22	20	35	26	25	21	17	42	26	27
Transport, trade and services	29	64	9	24	27	34	71	10	34	31
Imports	28	12	45	35	32	25	10	43	26	29
Indirect taxes *minus* subsidies	11	4	7	5	8	7	1	1 [h]	—	3
TOTAL	100	100	100	100	100	100	100	100	100	100
	Sweden					**United Kingdom**				
Net output of:		[i]	[j]							
Agriculture, forestry, fishing	14	—	4	20	12	6	—	—	1	4
Industry	23	15	68	48	37	24	20	70	51	35
Transport, trade and services	35	77	10	17	30	34	68	13	24	35
Imports	19	6	16	14	16	21	10	12	22	16
Indirect taxes *minus* subsidies	9	2	2	1	5	15	2	5	2	10
TOTAL	100	100	100	100	100	100	100	100	100	100

Sources : See Appendix B.

[a] Both imports and exports exclude intra-OEEC trade.

[b] Excluding expenditure outside the metropolitan territory.

[c] Including a small proportion of expenditure on repairs and maintenance.

[d] Including public expenditure on construction.

[e] Private investment only.

[f] Including expenditure on repairs and maintenance.

[g] Including agricultural buildings.

[h] Transfers from central government to private enterprises for investment purposes are counted as subsidies.

[i] Excluding a certain amount of military expenditure which is counted as investment.

[j] Including expenditure on repairs and maintenance and a certain amount of military expenditure.

of final demand. The break-down of the origin of resources has been considerably reduced as compared with that used in Tables 8 to 15, both in order to ensure a better comparability between countries and also because of the impossibility of giving simultaneously a finer break-down of final demand.

Derivation of the Cumulated Cost Coefficients

The methods used in deriving these coefficients can most easily be illustrated by a simplified and concrete example. If it is assumed that, in the Netherlands, final demand for the products of the chemical industry increases by 1,000 units, all current inputs of the industry will then increase proportionately,[11] for instance, inputs of mining products will increase by a certain amount (90). The mining sector, in order thus to increase its sales to the chemical industry, will in turn, need to increase its current inputs proportionately — for instance, its inputs of textiles, chemical products, etc.

Applying this process of calculation on the basis of an input-output table[12] the cumulated effect on all sectors of the initial rise of 1,000 units in the final output of the chemical industry in the Netherlands can be calculated. The conclusion is that this requires a cumulated increase of 1,007 in the total output of chemical products, of 94 in the total output of mining products, etc.

Still on the basis of the input-output table, it can then be seen that an output of 94 of mining products represents in terms of basic costs 6 of imports, 61 of value added by the mining industry and 8 of indirect taxes, the difference (19) representing inputs from other sectors.[13] These three figures represent the " cost " elements, in terms of imports, value added and indirect taxes, of that part of the increase of 1,000 units in the final demand for chemical goods which results from the increase thus generated in the output of the mining industry. By repeating the same round of operations for the generated increases in the output of the other sectors, the total " costs " are finally arrived at.[14]

In more general terms, the methods used by the ECE secretariat may be stated as follows:

(1) Each component of final demand was broken down by groups of goods and services corresponding to the classification retained for the output generating sectors (e.g., agriculture, industry, trade and services).

(2) The *total* output of each of these sectors required per unit of final demand for each of the groups of goods and services mentioned above was calculated.

(3) Finally, the value added, the imports and the indirect taxes contained in these outputs were calculated.

In order to carry out these successive steps, an input-output table for each country is required, or is at least a great advantage.[15] It gives, for a number of sectors,[16] the value of total output at market prices, the corresponding value added at factor cost, the value of imports directly used up in the production process and the amount of indirect taxes (minus subsidies) paid. By inverting the matrix of input-output coefficients,[17] the value of the output of each sector required to produce a unit of final output by a given sector is then determined (step 2, above); this, when combined with the coefficients giving for the corresponding sector the percentage shares of value added, imports and indirect taxes in total output, produces the " cumulated cost structure " of the original unit of final output (step 3 above). The input-output table giving for each sector the value of each component of final demand which it satisfies, it is then possible to sum up the cost elements corresponding to each of the selected categories of final demand — i.e., private consumption, public consumption, gross fixed investment, changes in stocks and exports.[18]

The crude results of these computations must then be submitted to some further adjustments required by the " mechanical " nature of the process of derivation. Since input-output tables constitute the basic element of the method, the results are automatically subject to the limitations inherent in the nature of such a tool. The stability of the input-output coefficients, the linearity of the system, and the constancy of the value added per unit of output in a given sector,[19] are all standard assumptions in the input-output techniques which, at the broad level of aggregation necessarily adopted, can be justified only by the lack of any other alternative set of hypotheses. The main adjustment needed is with respect to the amount of indirect taxes paid on exports. This category of final demand being subject to tax exemptions, its cumulated cost structure differs significantly from that of other categories of demand for the same commodities.[20] A direct examination of taxes paid on exports has allowed this correction to be made, and all other data in the tables have been adjusted accordingly. The most obvious distortions introduced by the degree of aggregation have also been eliminated, with the help of the original input-output tables where a greater number of output-generating sectors are shown separately.

---

[11] If the assumption of proportionality commonly accepted in the handling of input-output tables is retained.

[12] On the lay-out and handling of input-output tables, see the *Economic Bulletin for Europe*, Vol. 8, No. 1.

[13] I.e. not a basic cost in the sense understood here, where value added, imports and indirect taxes are the only elements of cost.

[14] Total costs which of course add up to 1,000 units, the given rise in the final output of the chemical industry.

[15] Sweden is the only country for which no input-output table was available and for which a more rough-and-ready method was used.

[16] Number varying between 10 and 15 according to the country.

[17] See *Economic Bulletin for Europe*, Vol. 8, No. 1, p. 38.

[18] In algebraic terms, the method can be described as follows: the input-output table gives for each sector i the total output at market prices, O_i, the corresponding value added at factor cost, Q_i, the value of imports used up in the production process, M_i and the indirect taxes (minus subsidies) paid, T_i.

Let us call q_i, m_i and t_i the corresponding elements per unit of output — i.e., $q_i = \frac{Q_i}{O_i}$, $m_i = \frac{M_i}{O_i}$, $t_i = \frac{T_i}{O_i}$.

By inverting the original matrix A of the input-output coefficients, the matrix $(I - A)^{-1}$ is obtained whose element p_{ij} corresponds to the total output of sector i required to produce a unit of final output by sector j. The cumulated costs corresponding to this unit of final output are thus given by

$\bar{q}_{ij} = q_i p_{ij}$ for the value added by the sector i;

$\bar{m}_j = \sum_i m_i p_{ij}$ for the value of imports required;

$\bar{t}_j = \sum_i t_i p_{ij}$ for the amount of indirect taxes (minus subsidies) paid.

Let Y_{jh} be the goods or services produced by the sector j and contained in the component Y_h of the final demand Y. The cumulated cost structure of the component Y_h is given by

$\bar{Q}_{ih} = \sum_j \bar{q}_{ij} Y_{jh}$ for the value added by the sector i;

$\bar{M}_h = \sum_j \bar{m}_j Y_{jh}$ for the value of imports contained;

$\bar{T}_h = \sum_j \bar{t}_j Y_{jh}$ for the amount of indirect taxes (minus subsidies) paid.

In the present analysis, the inversion of the various matrices A has been carried out by a method of successive approximations based on the identity $(I - A)^{-1} \equiv (A)\ (I - A)^{-1} + I$ applied to a rough approximation of the inverted matrix $(I - A)^{-1}$ estimated directly.

The final results given in Tables 8 to 15 refer, in each case, to the year for which an input-output table was available. In some cases, preliminary adjustments of the original input-output data have been necessary either in order to allocate the imported commodities directly to the sectors using them (and not to the competitive domestic sectors) or to reconcile the structure of final demand with that appearing in the standard aggregates of the national accounts.

Only for the OEEC countries combined (Table 8) have the various categories of final demand been studied in greater detail. Private consumption expenditure has been allocated amongst food, clothing, rent, durable goods and other, whereas construction is shown as a separate component of fixed investment. This finer break-down, which, as is indicated above, is highly desirable and which alone allows the present type of analysis to give its best results, would have been carried out for each country had the basic data been adequate. However, none of the input-output tables so far available provides the required break-down of the main categories of final demand,[21] and the detailed analysis carried out for the OEEC countries combined is based on a series of estimates which would have been difficult to make for each individual country.

As they stand, the estimates appearing in Tables 8 to 15 are of uneven quality, depending on the material originally available. Very satisfactory in the case of the Netherlands and the United Kingdom, where part of the estimates [22] were already available in the national sources, the results are still very good for France and Norway, which have input-output tables integrated into their system of national accounts; but they are less satisfactory in the case of western Germany, for which only a provisional edition of an input-output table was available,[23] and rather weak in the case of Sweden, which had no table of this kind to offer.

Moreover, the comparability between countries suffers some limitations. Some of these limitations, purely statistical in origin, result from the divergencies among countries in their concepts and definitions of the standard aggregates shown in their accounts [24] or from the difficulty found in adopting a common classification by sector for the origin of resources. Others result from differences in the price structures of the various countries. It appears, for instance, that in Italy the relatively low share of services in total resources is due to their relative prices being lower than in other countries.[25]

The presentation adopted in Table 1 eliminates the divergences due to differences among countries in the coverage of the various output-generating sectors, but not those arising for the other reasons mentioned above. The structural cost coefficients for each component of final demand shown in this table for the year 1950 have been directly computed on the basis of the absolute values given in Tables 8 to 15. However, to derive the coefficients for the OEEC member countries combined and for France, western Germany and Italy, major adjustments of the data (which refer to different years) have been required. In each case, changes in resources and in their utilization between the original year and 1950 have been taken into account in deriving the structural cost coefficients for the common base year. But although the method used takes account of all known and relevant information — especially about changes in stocks and the composition of exports and imports — the results are nevertheless imperfect since any technical changes in the production process between two years must necessarily escape the power of investigation of the analyst in the absence of separate input-output tables for each year.[26]

---

[19] The same remark applies to the constancy of the import content or of the amount of indirect taxes paid per unit of output.

[20] In other words, using the same notations as in footnote 18, different coefficients $\bar{t}_j$ apply to exports and to consumption or investment.

[21] What is required is a break-down of each sub-category of final demand (e.g., food, clothing, durable consumer's goods, etc.) in groups of commodities or services similar to those used for the main categories of final expenditure (private consumption, investment, etc.)

[22] Viz., the share of imports and indirect taxes in each category of final demand.

[23] A table which at this stage was not reconciled with the aggregates in the national accounts.

[24] The main differences are in the concepts and definitions used in the allocation of resources between public consumption and investment. In addition, some countries consider repairs and maintenance as final instead of as intermediate output.

[25] To eliminate this source of difference would require each country to work out a separate set of accounts and input-output tables based on a commonly accepted system of prices.

It is a consolation that such technical changes are likely to be minor, and to have a very moderate impact on the average value of the structural cost coefficients during a period of reasonable length.[27] But, as will be seen later, the values of the marginal structural cost coefficients — applying to the increase in resources between any two years — are likely to be more seriously affected.

It will be observed that the cumulated cost structure of changes in stocks in 1950 has not been estimated in Table 1. The large margins of error in the absolute figures appearing in Tables 8 to 15 and the small degree of significance attached to such coefficients, which depend entirely on the varying nature of the commodities stocked during any one year, would make such an exercise particularly unrewarding; but this reservation applies to a much lesser degree to the total value of stocks at a given time. The data required to determine the cumulated cost structure of the total value of stocks were, however, available only for France and the United Kingdom, and the results of the analysis for these two countries (for the years 1952 and 1950 respectively) are shown in Table 2.

The coefficients shown in the table have been derived by allocating total stocks at the end of the period amongst the various sectors according to their inventories and, inside each sector, between raw materials and other inputs, on the one hand, and semi-finished or finished products, on the other. It has then been assumed that the composition of the raw materials and other inputs stocked by a given sector was similar to the composition of that sector's total inputs. This leads to a final allocation of stocks amongst the various sectors of origin, which — treated in the same way as the allocation of any other component of final demand [28] — produces the coefficients wanted. The last two columns of Table 2, which are derived from a comparison of the cumulated cost structure (in value terms) of the stocks at the end of a period with the value added by each sector during the period, give interesting indications of the impact of stock fluctuations on the various productive sectors when measured in terms of months of output.

TABLE 2

Cumulated cost structure of total stocks in France and the United Kingdom

Origin of resources	Cumulated cost structure of total stocks		Ratio of total stocks at end of a period to total resources during the period	
	France end 1952	United Kingdom end 1950	France 1952	United Kingdom 1950
Agriculture, forestry, fishing [a]	12	12	0.24	1.04
Industry	48	46	0.40	0.47
Services	5	7	0.05	0.08
Imports	35	35	0.82	0.73
TOTAL	100	100	0.32	0.42

[a] Livestock is included in the United Kingdom and excluded in France.

The data appearing in Tables 8 to 15 can also be used to derive percentage coefficients showing the final destination of each category of resources, and the results appear in Table 3. Total resources are shown at factor cost, and the allocation of indirect taxes amongst the various categories of final demand has been omitted, since coefficients depending entirely on the fiscal policies of the various countries have little significance. As the calculations leading to the estimates in Table 3 are based on the same break-down of final demand and of the origin of resources as lies behind Table 1, they suffer from similar limitations. In particular, the different concepts and definitions of public consumption and gross fixed investment, and differences in price structures among countries, impair inter-country comparability.

As is demonstrated in section 3 below, the coefficients appearing in Table 3 can be used, as weights attached to each component of final demand, in deriving from changes in final expenditure volume indices of net output for the various productive sectors.[29]

Gross fixed investment appears in Table 3 as one of the final destinations of resources, but it is not, of course, " final " in quite the same sense as consumption or exports. Of the two constituents of gross fixed investment — net investment and depreciation — the second is clearly an intermediate input which should, strictly, have been treated as such in Tables 8 to 15.

---

[26] The method of adjustment can be described as follows: hypothetical resources from each of the four main output-generating sectors are calculated by combining the value of final demand in 1950 with the structural cost coefficients for the original year, and are then compared with the actual amount of resources in 1950. The differences are then eliminated by adjusting the value of each cell on the basis of available information concerning changes in the structure of stocks, of private and public consumption and of imports and exports.

[27] Changes other than technical changes — such as changes in import content or in the structure of consumption — are fairly adequately taken into account by the method of adjustment that has been used.

[28] I.e., by applying to that part of total stocks allocated to sector j the same coefficients $\bar{q}_{ij}$, $\bar{m}_j$ and $\bar{t}_j$ as are mentioned in footnote 18.

[29] These weights can, of course, be used only in conjunction with index numbers of volume of any category of final demand which are themselves based on the same year (i.e., 1950).

TABLE 3

Final destination of resources in western Europe in 1950

Percentages

Final destination of resources	Origin of resources									
	Net output of			Imports	Total [a] resources	Net output of			Imports	Total [a] resources
	Agri-culture, forestry, fishing	Industry	Transport, trade and services			Agri-culture, forestry, fishing	Industry	Transport, trade and services		
	OEEC member countries combined [b]					**France**				
Private consumption	91	48	61	65	60	86	41	62	59	60
Public consumption [c]	—	6	28	6	14	1	4	26	3	11
Gross fixed investment [d]	1	30	5	16	15	1	28	6	17	14
Change in stocks	4	1	—	1	1	4	5	1	4	3
Exports	4	15	6	12	10	8	22	5	17	12
TOTAL	100	100	100	100	100	100	100	100	100	100
	Western Germany					**Italy**				
Private consumption	81	37	61	64	54	87	48	57	60	62
Public consumption	1	8	28	5	14	—	4	29	4	10
Gross fixed investment	4	31	6	15	17	1	34	4	24	16
Change in stocks	7	4	1	4	3	6	—	—	−3	1
Exports	7	20	4	12	12	6	14	10	15	11
TOTAL	100	100	100	100	100	100	100	100	100	100
	Netherlands					**Norway**				
Private consumption	58	40	48	39	43	57	34	48	38	42
Public consumption	—	8 [e]	23	4	11	1	4	15	2	7
Gross fixed investment [f]	6 [g]	18 [h]	4	18	13	7 [g]	37 [i]	8	36	24
Change in stocks	2	6	1	10	5	—	—	—	1	—
Exports	34	28	24	29	28	35	25	29	23	27
TOTAL	100	100	100	100	100	100	100	100	100	100
	Sweden					**United Kingdom**				
Private consumption	63	32	61	60	50	94	44	58	70	57
Public consumption	—	4	22	3	9	—	8	26	7	14
Gross fixed investment [j]	7	43	7	23	24	—	23	4	7	12
Change in stocks	—	−1	—	—	—	1	−2	—	−5	−2
Exports	30	22	10	14	17	5	27	12	21	19
TOTAL	100	100	100	100	100	100	100	100	100	100

Sources : See Appendix B.

[a] At factor cost.

[b] Both imports and exports exclude intra-OEEC trade.

[c] For France, excluding expenditure outside the metropolitan territory.

[d] For France, including a small proportion of expenditure on repairs and maintenance.

[e] Including public expenditure on construction.

[f] For the Netherlands, private investment only. For Norway, including expenditure on repairs and maintenance.

[g] Including agricultural buildings.

[h] Excluding public expenditure on construction and agricultural buildings.

[i] Excluding agricultural buildings.

[j] For Sweden, including expenditure on repairs and maintenance and a certain amount of military expenditure counted as investment instead of consumption.

But to do this would have involved allocating capital consumption within each sector according to various types of assets, which for most countries was impossible. Net investment constitutes a genuinely " final " destination of output in any single year, but from a long-term point of view all investment is finally incorporated in the value of goods consumed or exported.

An attempt has been made to allocate gross fixed investment in 1950 in the United Kingdom, for which the necessary data were available, amongst the other three main categories of final demand.[30] For this

---

[30] I.e., private consumption, public consumption and exports. For the purpose of this analysis, stock changes have been assumed to be negligible.

TABLE 4

Final allocation of gross fixed investment in the United Kingdom in 1950

Percentages

Final allocation	Construction		Other equipment		Total gross fixed investment	
	A	B	A	B	A	B
Private consumption	69	72	53	62	60	67
of which:						
Dwellings	45		—		21	
Other goods and services	24		53		39	
Public consumption	18	19	11	13	15	16
of which:						
Current expenditure	3		6		5	
Public investment	15		5		10	
Future investment	5		13		9	
Exports	8	9	23	25	16	17
Total demand	100	100	100	100	100	100

A columns correspond to the final allocation of investment obtained after only one iteration, and include a figure for the share of investment allocated to future investment.

B columns correspond to the final allocation obtained after the infinite number of iterations necessary to allocate that part of investment to one of the three categories of final demand: private consumption, public consumption, or exports.

purpose, total gross fixed capital formation (treating separately construction and equipment) was first split among the various sectors on whose account investments were made. Each of these fractions was then allocated among the other categories of final demand in proportion to the final destination of the value added by the sector where the investment took place. For instance, as 56 per cent of the value added by the chemical industries went into private consumption, 56 per cent of investment by these industries has been allocated to this category of final expenditure. As the period over which a given investment is depreciated normally covers more than one year, this procedure is strictly justifiable only on the assumption of an unchanging distribution of the net output of each sector among end-uses during the period of depreciation. Structural changes of this kind are, of course, inevitable; but they are likely to be of limited magnitude during such a period. This series of calculations leads to the coefficients appearing in the A columns of Table 4.[31]

As can be seen from the table, a certain share of each type of assets is allocated to the future production of capital goods. By successive repetitions of the process of allocation described above, this share of investment can eventually be redistributed so as to obtain a final allocation of total investment between households, administration and exports. The results of such a process are shown in the B columns of Table 4.[32]

On the basis of these coefficients, it is now possible to reconsider the final allocation of resources as given in Table 3, and to allocate further that part of net output going to investment. It is first necessary to split it between construction and equipment;[33] then, by applying to the share of each type of asset the coefficients given in Table 4, a new distribution is finally produced with only three categories of final expenditure as possible destinations for the net output of a given sector.[34] The results are given in Table 5, showing for each industry two percentage distributions of its net output according to the various end-uses — one before and one after the final allocation of investment.[35]

---

[31] Public investment, for lack of any more satisfactory solution, was assumed to contribute to the output of public administration, though this is undoubtedly not always so.

[32] In practice, the final distributions given in the B columns were arrived at directly through one extra round of operations only, using a mathematical method described in Appendix B.

[33] The allocation of the share of the net output of each sector going to investment between construction and other equipment is obtained directly as a by-product of the cumulated cost structure analysis (using the same notation as in footnote 18, as a by-product of the q_{ij}).

[34] For instance, knowing that 32 per cent of the net output of the metal industries goes to investment, of which 4 per cent to construction and 28 per cent to other equipment, and knowing (Table 4) that 9 per cent of construction and 25 per cent of other equipment goes to exports, it appears that of this 32 per cent

$$\frac{4 \times 9 + 28 \times 25}{100} = 7 \text{ per cent}$$

has exports as its final destination.

[35] Using the same algebraic symbols as in footnote 18, the method can be described as follows:

Let c_{ki} be the share of total investment of type k invested in sector i. ($k = 1$ or 2, two types of assets being distinguished here viz. construction and other equipment).

The share $\overset{*}{q}_{ih} = \frac{Q_{ih}}{Q_i}$ of the net output of sector i incorporated in the component Y_h of the final demand Y is known for each sector i from previous calculations. By allocating the investment within each sector i to the various final destinations proportionately to the allocation of the total net output of the sector, the share d_{kh} of investment of type k having Y_h as final destination is obtained:

$$d_{kh} = \sum_i c_{ki} \overset{*}{q}_{ih}$$

These coefficients d_{kh} obtained after only one iteration still include investment as a final destination. By applying the method described in Appendix B, this share of investment allocated to future investment can be disposed of, and coefficients $\overline{d}_{kh}$ are finally arrived at with consumption and exports as the only final destinations.

Next, the share $\overset{*}{q}_{ik}$ of investment of type k in the net output of sector i is determined on the basis of the various coefficients $\overline{q}_{ij}$ previously obtained.

The new allocation wanted is then given by:

$$(q_{ih})' = \overset{*}{q}_{ih} + \sum_k \overset{*}{q}_{ik} \overline{d}_{kh}$$

$(q_{ih})'$ being the new share of the component Y_h of final demand in the net output of sector i, investment having now disappeared as one of these components.

TABLE 5

Final destination [a] of resources in the United Kingdom in 1950

Percentages

A — Before final allocation of investment
B — After final allocation of investment

Final demand / Origin of resources		Consumption		Gross fixed investment	Exports	Total demand
		Private	Public			
Net output of:						
Agriculture, forestry, fishing	A	95	—	—	5	100
	B	95	—		5	100
Industry	A	43	8	23	26	100
	B	59	11		30	100
of which:						
Mining	A	58	6	12	24	100
	B	66	8		26	100
Textiles	A	61	1	2	36	100
	B	63	1		36	100
Chemicals	A	56	8	8	28	100
	B	62	9		29	100
Metal	A	21	8	32	39	100
	B	41	13		46	100
Construction	A	30	11	55	4	100
	B	69	22		9	100
Public utilities	A	66	9	16	9	100
	B	77	11		12	100
Transport, trade and services	A	58	26	4	12	100
	B	60	27		13	100
Imports	A	66	7	7	20	100
	B	71	8		21	100
Total resources [b]	A	56	14	11	19	100
	B	64	16		20	100

[a] For the purpose of this table, stock changes are assumed to have been nil in 1950, all other components of final demand remaining unchanged.
[b] At factor cost.

The overwhelming claims of private consumption on the final allocation of resources in the United Kingdom, already apparent in Table 3, come out still more clearly in Table 5. From there it appears that private consumption takes a predominant share of output in all sectors except the metal industries, where exports explain almost half of net output. Before forming a judgement on the stability, and thus on the significance, of these coefficients, it would be necessary to proceed to a similar allocation for other years and other countries. However, even as they stand, they provide useful information, although they do not permit the course of investment to be derived from changes in the other components of final demand.

3. DIFFERENCES IN STRUCTURES OF EXPENDITURE AND OUTPUT

The cross-classifications of aggregate demand and of total resources, established on the basis described in the preceding section, constitute an essential step in an analysis of the factors determining the pattern of economic development in any country. Any government pursuing policies designed to maintain steady economic growth and to avoid so far as possible the appearance of either bottlenecks or surplus capacities in any sector — or a government confronted with the problem of dealing with the effects of such strains —

needs to take into account *inter alia* the influence which each category of demand exercises on output in each sector and on imports.

The figures in Tables 1 and 3, linking together the various sectors of demand and resources in seven countries in 1950, illustrate some features of their economic structures which are of significance for the formulation of policies in these countries. However, as has been indicated in section 1 above, calculations of this kind need to be used with discrimination. In the first place, they tell nothing of the factors determining the level and structure of demand itself. Secondly, each component of final demand is assumed to be autonomous, and no attempt has been made to assess the secondary repercussions of a change in one category of demand via a complete model of interdependence. Thirdly, government policies are in general concerned more with changes in the level or structure of expenditures or of output than with the structures at any moment in time; and for this purpose marginal coefficients linking changes in the various categories of expenditure and output — if they can be reliably estimated — are far more useful than the average coefficients.

The remainder of this chapter draws attention to certain significant structural differences between countries in 1950, and also discusses some of the implications of the marginal coefficients linking the growth of demand and of output and imports between 1950 and 1955 for western Europe as a whole. The results of the analysis of changes between 1950 and 1955 for the seven individual countries studied have already been discussed in Chapter II.

Origin of Resources and Final Destination of Output in 1950

Notwithstanding the limitations on inter-country comparability mentioned in the preceding section, the figures in Table 1 reveal some significant similarities and differences in the economic structures of the seven countries studied. The overwhelming share of public consumption contributed everywhere by the services sector is to be expected; but it is somewhat more remarkable that, except in Italy, services contribute about one-third of private consumption. Private consumption also absorbs practically all of the net output of agriculture that is not exported, though naturally the share of private consumption contributed by domestic agriculture varies greatly from country to country, and inversely with the share of imports. Everywhere private consumption bears the main burden of indirect taxation. Industry everywhere contributes only between one-fifth and one-quarter of total private consumption expenditure, in contrast with its predominant share in fixed capital formation and exports (except in Norway and the Netherlands).

It is clear that in every country a given absolute increase in aggregate final demand has very different impacts on the level of domestic output according to the type of expenditure involved; and everywhere a given increase in personal expenditure calls forth a smaller increase in domestic production than would an equal increase in investment or exports. If, therefore, basic industries are already working to full capacity, greater dangers of the appearance of bottlenecks — or of a " spill over " of excess demand from domestic industry on to imports — will arise if investment demand increases than if there is an equivalent rise in consumers' expenditure.

If attention is focused on the import content of aggregate demand, the countries studied fall into three groups. In western Germany, France and Italy, imports represent hardly more than 10 per cent of total resources. In the first two countries they enter in fairly equal proportions into all the broad categories of final demand, apart from government consumption, though the import content of exports is slightly above the average for all expenditure. In Italy the import content of investment and exports is noticeably higher than that of private consumption, reflecting to some extent the much greater share of private consumption contributed by domestic agriculture in Italy than in the other two countries.

The United Kingdom and Sweden form the second group, and about 16 per cent of their total expenditure falls upon imports. The shares of imports, industrial output and services in private consumption expenditure are remarkably similar in the two countries, but, as might be expected, the import content of investment is lower and that of exports is higher in the United Kingdom than in Sweden.

Finally, Norway and the Netherlands are heavily dependent on imports, which meet a third of aggregate demand, their share in capital formation being even as high as 45 per cent.

The cost structure of exports reflects differences in specialization among the various European economies. Except in the United Kingdom and western Germany, agriculture, forestry and fishing play an appreciable role in the exports of all the countries studied, and especially in Sweden and Italy. The net output of services accounts for more than a third of Norwegian exports, chiefly owing to the importance of shipping, and plays a large part in Italy, the Netherlands and the United Kingdom. The contribution of industry to exports ranges from two-thirds in western Germany and over half in France and the United Kingdom to between 40 and 50 per cent in Italy and Sweden, and only one-quarter in Norway and the Netherlands.

As has already been mentioned, the burden of indirect taxes on final demand everywhere falls mainly on private consumption, but the over-all incidence of indirect taxes on aggregate expenditure varies from country to country, being heaviest in France and lightest in Norway and Sweden. Government consumption is little affected (except in countries with a turnover tax) and exports are as a general rule exempted. Capital formation reveals the most striking differences in this respect. Practically exempt in Norway and Sweden, investments bear a tax close to 10 per cent in western Germany, Italy and the Netherlands. In France, the rate was as high as 14 per cent in 1950, but since 1954 the turnover taxes have been replaced by a new tax on value added which no longer affects investment.

The structural differences described above imply — if the picture for 1950 can be regarded as " normal " [36] — that government policies, even if designed to deal with similar problems, should nevertheless vary considerably from country to country. If, for example, a reduction in imports is desired as a means of restoring balance-of-payments equilibrium, a given and indiscriminate reduction in private consumption or investment brought about in western Germany, France or Italy will result in less saving of imports and a greater loss of domestic industrial output than in the Netherlands or Norway. In both the last two countries a given reduction in total domestic demand which falls mainly upon investment is likely to have a much greater impact on imports than would the same reduction in private consumption. In the United Kingdom the reverse is true.

The structural analysis in Table 3 is designed to reveal the extent to which the level of output in each sector depends upon each category of final demand. It shows that private consumption takes by far the biggest share of the resources originating in any sector. There is, however, a marked variation in the claim of private consumption on total resources, which ranges from 40 per cent in Norway and the Netherlands to over 60 per cent in France and Italy.

The importance of exports as a final destination is equally diversified, this sector taking about 10 per cent of total resources in France and Italy and nearly 30 per cent in Norway and the Netherlands. The close dependence of these last two countries on foreign trade is reflected not only in a share of exports in total demand for the output of industry that is as high as in any other country, and much above the average for the OEEC countries as a group, but also in the large share of the net output of agriculture, forestry and fishing which is directly or indirectly exported. More than one-third of the output of this sector in the Netherlands (mostly agricultural products) and in Norway (mostly fishery products) is exported. An appreciable proportion of the product of service industries also is exported in countries with large merchant fleets like Norway, the Netherlands, the United Kingdom, Italy and Sweden.

The final destination of imports differs also from country to country, although changes in stocks reduce the significance of the comparison. In all countries an appreciable share of imports is ultimately incorporated in exports. The main differences are in the share absorbed by private consumption or by fixed capital formation: at one extreme is Norway, where consumption and fixed capital formation each absorb roughly the same share of imports, and at the other extreme is the United Kingdom, where the share of imports absorbed by capital formation is only one-tenth of the share taken by personal consumption.

In every country, investment and exports absorb a share of the net output of commodity producing industry that is much larger than their share in total resources. It follows that these two categories of final demand have much more influence on the output of commodity producing industry than would be suggested by their share in total national expenditures.

If the coefficients appearing in Table 3 are used as weights, it is possible to estimate the increase in resources originating in the various sectors which will be called forth by any given rise in a particular category of final demand — up to the point where the appearance of bottlenecks in a resources sector changes the coefficients. Thus, for the OEEC member countries combined, 48 per cent of the net output of industry in 1950 went to private consumption, and an increase of 3 per cent in this category of final expenditure between 1950 and 1951 can therefore " explain " an increase of 1.5 per cent of the index of industrial production, provided that the cumulated cost structure of private consumption has undergone no change between these two years. By extending the computation to take account of changes in all components of final demand, an estimate of the growth of industrial output can be obtained.

Calculations of this kind have, in fact, been systematically made for the four categories of resources, and for all the years from 1950 to 1956, in the case of the OEEC countries combined. The results appear in Chart 1, where the actual changes in resources and those computed from the known changes in expenditure are represented side by side.[37]

---

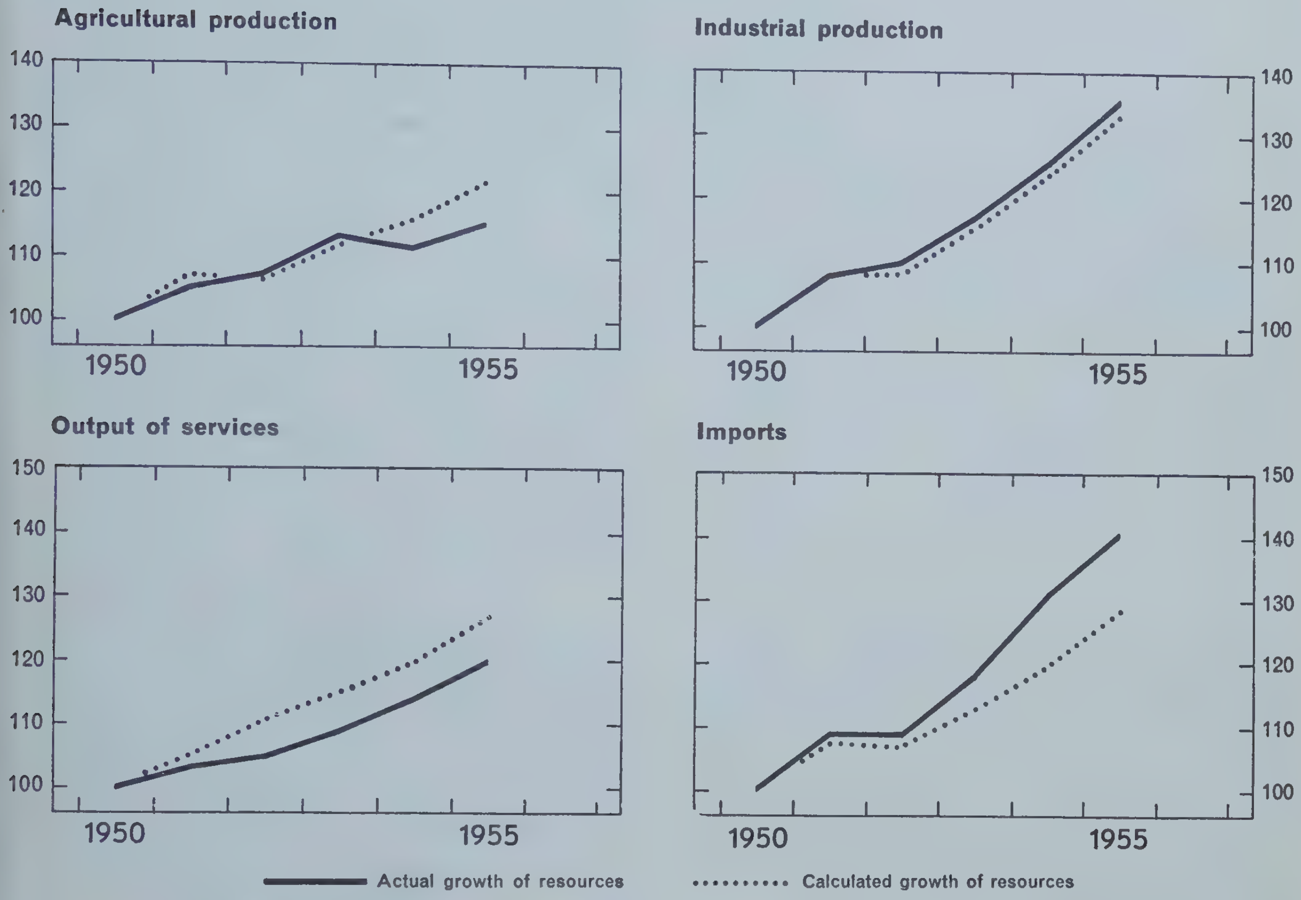
[36] Of course, an analysis based on the year 1950 only is theoretically a quite inadequate basis for any final conclusions; but, as is demonstrated later, the structural characteristics have in fact undergone little change since that date.

[37] Chart 7 of the *Economic Survey of Europe in 1953* (pp. 36 and 37), showing the effects on industrial production of changes in the expenditures which generate it, provides another illustration of the same method.

CHART 1

Growth of resources in western Europe[a]

Volume indices — 1950 = 100



Sources : See Appendix B.

[a] OEEC member countries combined.

The concordance in trends of actual and computed industrial production is highly satisfactory, but there are notable divergences in the case of the other three categories of resources. The most obvious cause of divergence is changes in stocks. To assume a constant cost structure of the changes in stocks (i.e., that of 1950) is unrealistic; and to assume a constant content of agricultural products is especially so, since this depends so much on harvests.[38]

The broad degree of aggregation used for the various components of final demand is a second cause of divergences, as has been indicated earlier. An increase in personal consumption in any year is rarely spread evenly throughout all commodities and services, and its cumulated cost structure is likely to be correspondingly affected. The same is true of the other components of final demand : expectations about the future can dramatically affect the composition of stock changes; full employment policies may encourage the use of labour-intensive techniques; exchange rate changes may affect the composition of export demand and the relative profitability of different lines of production and imports. Although the calculations embodied in Chart 1 were in fact based on the finer break-down of final expenditures shown in Table 8 — dividing private consumption into five groups [39] and fixed capital formation into construction and equipment — some shifts within these categories nevertheless affected the results.

The divergence found in the case of services is due to similar causes. The rise of 20 per cent in the volume of public consumption between 1950 and 1952 was attributed for the main part to an increase in the consumption of services, in accordance with the 1950

---

[38] This explains why the curve showing the computed net output of agriculture — which is based on the assumption of a constant agricultural content of the changes in stocks — is smoother than the curve showing the actual output.

[39] Food, clothing, rent, durables and miscellaneous.

TABLE 6

Changes in resources and their utilization between 1950 and 1955 in western Europe [a]

Billions of dollars at 1954 prices

Increases in resources	Increases in final demand						Volume index in 1955 (*1950=100*)
	Consumption		Gross fixed investment	Change in stocks	Exports	Total demand	
	Private	Public					
Net output of:							
Agriculture, forestry, fishing	2.8	—	—	—	0.4	3.2	115
Industry	7.8	2.3	7.9	0.7	4.6	23.3	136
Transport, trade and services	6.8	2.7	1.1	—	2.0	12.6	120
Imports	3.6	0.4	1.4	0.4	1.2	7.0	141
Indirect taxes *minus* subsidies	4.6	0.4	0.9	0.1	0.5	6.5	133
TOTAL	25.6	5.8	11.3	1.2	8.7	52.6	128
Volume index in 1955 (*1950=100*)	122	124	140	160	147	128	

Sources : See Appendix B.

[a] OEEC countries combined.

cost structure. But in fact the military expenditure which called forth that increase included a relatively small contribution from services and much higher contributions from industrial production and imports.

Finally, the divergences noted in Chart 1 reflect the growing import content of final demand in western Europe during the period.[40] The fact that in 1955 imports were 10 per cent above their estimated level is due not so much to the growth of categories of final demand having a particularly high import content in 1950 as to the greater call on products of foreign origin common to all categories of demand and to all branches of production.[41]

These divergences point to the need to concentrate the present method of analysis on the changes in expenditure and output between two periods, rather than on the structural relationships of a given year.

Changes in Resources and their Utilization between 1950 and 1955

There are two ideal ways of deriving the marginal coefficients linking together increases in output and in final expenditure between two years. One is to employ the procedure described above, using two sets of input-output tables—one for each year. The second is to work directly on the marginal changes, using the input-output table for the base year, but modifying the coefficients in the light of any information as to technical changes likely to be induced in the process of raising output to satisfy the marginal " bill of goods ". The first method is unfortunately impracticable, since it depends upon the existence of statistical material that is unlikely to be available in view of the costly and time-consuming nature of the process of elaboration of input-output tables. The second can be applied only by an analyst with a very detailed knowledge of the economy he is studying.

The marginal cumulated costs shown in Tables 6 and 16 have in fact been obtained by a simpler — and less satisfactory — method. In each case, the changes in the various components of final demand between 1950 and 1955, estimated at constant prices, have been allocated among the various output generating sectors in proportion to the 1950 cumulated cost coefficients. The differences between the estimated and the actual outputs have then been eliminated by a process of adjustment which took into account all relevant information at hand. In particular a careful and detailed examination of the composition of private consumption, exports, imports and changes in stocks in the two years led to considerable correction of the corresponding rows and columns as originally estimated.[42]

---

[40] See also Chapter IV.

[41] In particular, the increase in fuel imports (petroleum and coal, so marked between 1950 and 1956) ultimately goes to meet all types of demand.

[42] In adjusting the estimates for the United Kingdom, the tables on the final destination of year-to-year increases in industrial output published in various issues of the Blue Book have been used, thus improving the quality of the estimates for this country.

Such a method of deriving marginal coefficients can be used only if the changes in output are known in advance, and it can therefore be applied only to the analysis of past periods. For this purpose, it can be considered satisfactory, provided that the analysis is carried out on the basis of a break-down of final demand sufficiently refined to eliminate the spurious differences between average and marginal cost coefficients due to possible changes in the main categories of expenditure (e.g., switches from clothing to consumers' durable goods within private consumption). As has already been indicated, the method, as it has had to be applied in practice in this study, permits the estimation of the structural coefficients for a single year only within a considerable margin of error. When used to estimate the marginal coefficients it must be expected to involve errors of a relatively greater magnitude, thus complicating the task of explaining in precise quantitative terms the differences between the average and the marginal coefficients.

Table 7 shows, for the OEEC countries combined and for six other countries, the 1950 average cost coefficients and the marginal coefficients related to the increases in final demand between 1950 and 1955. For the OEEC countries combined, the average cost structures in 1950 and the cost structures of the marginal changes in demand from 1950 to 1955 are very similar for investment and exports, whereas important differences appear between the average and the marginal coefficients for private and public consumption. In both these categories, the share of industrial output rose and the share of services fell, at the same time as the import content increased. Moreover, the share of agricultural net output in private consumption declined. The latter phenomenon, already apparent in Chart 1, is partially explained by the tendency for the share of food in household expenditure to fall with rising real per capita income. But this is only part of the story, and the growing importance of industry and services in the processing and distribution of food products, together with the relative increase in the industrial inputs consumed by the agricultural sector — which represent, in effect, changes in the technique of production — are other causes of the differences in the coefficients.[43]

The growing share of industry, with the accompanying decline in the share of services entering private consumption, may be due in part to temporary factors, such as the backlog of demand for consumers' durable goods still noticeable in 1950, as well as to a tendency for demand to switch to consumers' durable goods with rising incomes. The increase of the import content of consumption is still more difficult to analyse. Substitutions of imported for home-produced commodities might be due, *inter alia*, to modifications in relative prices on the various markets, to temporary bottlenecks in some sectors or to a higher degree of international specialization. Finally, while the falling share of services in total consumption, as has already been mentioned, is probably partly due to a genuine increase in the industrial content of public consumption, it may well be that there is also some tendency for the rate of growth of output of the "services" sector to be under-estimated in national accounts owing to the difficulty of accurately assessing productivity increases.

These difficulties in tracing the exact causes of changes in the cumulative cost structure of final demand are serious drawbacks when using the marginal coefficients as a predictive device. Even if the changes in the final demand schedule could be accurately predicted, the marginal allocation of resources necessary to satisfy the known increments of final demand still depends on the interplay of numerous factors which cannot in practice all be taken into account. Any change in relative labour scarcity may bring about changes from more to less labour intensive techniques (or vice versa). Localized bottlenecks may encourage the utilization of substitutes — synthetics for natural material, for instance — or the substitution of imports for domestic output. The relative scarcity of certain products may make profitable production lines previously abandoned. The substitution of imported by home-produced commodities may be brought about by a shift in their relative prices, by the necessity to specialize in order to improve competitiveness on foreign markets, or by deliberate government policies dictated by balance-of-payments considerations.

It follows that any forecasts bearing on marginal changes will suffer from serious limitations; and these are similar to those inherent in the use of input-output analysis to predict the total output[44] of a series of industries from final demand. The two characteristic assumptions of input-output analysis are, first, the assumption of constant returns to scale, and, secondly, that no substitution among inputs is possible in the production of any good or service.[45] In other words, the coefficients of production are assumed to be fixed, the amount of each input per unit of output being constant — regardless of relative prices, levels of output or any other factor. It is clear, in the light of

---

[43] The higher share of imports in the increment of private consumption from 1950 to 1955 than in total consumption in 1950 does not seem to have been due to any lagging behind of domestic food production or increased dependence on food imports.

[44] Instead of net output as here.

[45] See, for instance, Carl F. Christ, "A Review of Input-output Analysis" in *Input-output Analysis: An Appraisal*, Studies in Income and Wealth, Vol. 18, Princeton, 1955, and the *Economic Bulletin for Europe*, Vol. 8, No. 1.

TABLE 7

Average and marginal cumulated cost of final demand in western Europe

Percentages

Origin of resources \ Final demand		Consumption				Gross fixed investment		Exports		Total demand	
		Private		Public							
		1950	Change 1950 to 1955	1950	Change 1950 to 1955	1950	Change 1950 to 1955	1950	Change 1950 to 1955	1950	Change 1950 to 1955
		OEEC member countries combined									
Net output of	Agriculture, forestry, fishing	17	11	—	—	1	—	6	5	12	6
	Industry	26	31	17	40	69	70	56	53	34	45
	Transport, trade and services	32	26	75	46	12	10	21	23	33	24
Imports		11	14	5	7	11	12	14	14	10	13
Indirect taxes *minus* subsidies		14	18	3	7	7	8	3	5	11	12
TOTAL		100	100	100	100	100	100	100	100	100	100
		France									
Net output of	Agriculture, forestry, fishing	20	13	1	—	1	—	10	6	14	8
	Industry	22	34	13	30	61	58	57	52	31	38
	Transport, trade and services	32	20	78	40	12	13	14	14	32	21
Imports		10	16	3	15	12	12	15	21	10	17
Indirect taxes *minus* subsidies		16	17	5	15	14	17	4	7	13	16
TOTAL		100	100	100	100	100	100	100	100	100	100
		Western Germany									
Net output of	Agriculture, forestry, fishing	12	6	1	—	2	—	5	2	8	3
	Industry	24	21	22	24	66	56	66	60	36	40
	Transport, trade and services	35	23	68	57	12	10	11	12	32	19
Imports		13	26	4	11	11	20	14	21	12	23
Indirect taxes *minus* subsidies		16	24	5	8	9	14	4	5	12	15
TOTAL		100	100	100	100	100	100	100	100	100	100
		Italy									
Net output of	Agriculture, forestry, fishing	31	21	—	—	1	3	15	13	23	13
	Industry	23	43	13	44	67	72	43	45	30	51
	Transport, trade and services	21	13	82	38	7	8	24	13	25	15
Imports		10	15	4	16	16	13	16	23	11	16
Indirect taxes *minus* subsidies		15	8	1	2	9	4	2	6	11	5
TOTAL		100	100	100	100	100	100	100	100	100	100
		Netherlands									
Net output of	Agriculture, forestry, fishing	10	9	—	—	4	—	10	6	8	5
	Industry	22	—	20	27	35	26	26	39	25	26
	Transport, trade and services	29	23	64	46	9	5	24	13	27	19
Imports		28	54	12	27	45	58	35	39	32	44
Indirect taxes *minus* subsidies		11	14	4	—	7	11	5	3	8	6
TOTAL		100	100	100	100	100	100	100	100	100	100
		Norway									
Net output of	Agriculture, forestry, fishing	13	3	1	—	4	—	14	2	10	1
	Industry	21	13	17	27	42	45	26	37	27	30
	Transport, trade and services	34	18	71	61	10	4	34	29	31	22
Imports		25	52	10	12	43	50	26	32	29	42
Indirect taxes *minus* subsidies		7	14	1	—	1	1	—	—	3	5
TOTAL		100	100	100	100	100	100	100	100	100	100
		United Kingdom									
Net output of	Agriculture, forestry, fishing	6	4	—	—	—	—	1	—	4	2
	Industry	24	26	20	57	70	68	51	35	35	43
	Transport, trade and services	34	34	68	29	13	14	24	40	35	26
Imports		21	27	10	12	12	16	22	23	16	24
Indirect taxes *minus* subsidies		15	9	2	2	5	2	2	2	10	5
TOTAL		100	100	100	100	100	100	100	100	100	100

Sources : Tables 1, 6 and 16.

what has been said above, that these assumptions, already limitative when dealing with over-all figures, constitute a real handicap when applied to the impact on supply of marginal changes in different sectors of demand. This handicap is reinforced by the assumption specific to the present analysis of the constancy of value added, import content and indirect taxes per unit of output.[46]

Some of these limitations could certainly be overcome by calling on still more elaborate techniques. For instance, the possibility of each product being produced by several different processes could be admitted, and this, together with the assumption of constant returns to scale, would turn the present analysis into linear programming.[47] However, this does not constitute a practical alternative at present.

Conclusions

Even with the imperfections that have been noted, the explanatory virtues of the method of analysis used in this study have been demonstrated above and in Chapter II. The surprising stability of the cost structure of some of the components of final demand for the OEEC countries as a group, as shown in Table 7, and the relative ease with which the causes of the divergences between the average and the marginal coefficients in other sectors can be explained encourage a belief in the usefulness of this type of analysis even without the greater refinements that could, with some effort, be introduced.

In the case of the individual countries, for which the divergencies between the average and the marginal coefficients are of greater magnitude than for the OEEC countries combined, there are few cases of major difficulty in finding reasonable explanations — often directly connected with the internal policies of the countries concerned.[48] As it stands, Table 7 in fact provides a useful framework for handling problems that require a picture of the entire economy, and for uncovering points which otherwise could have escaped the investigation of the analyst.

If the analysis is to be applied to short-term forecasting, intelligent anticipation of developments which may call forth a modification of the cost structures will be required; and this underlines the need for further investigation in all countries of the supply elasticities of the various industries. The crucial problem is how to determine the point at which the appearance of bottlenecks, or changes in price structures, will cause the excess demand to spill over from one domestic production sector on to another or on to imports. In the present stage of analytical techniques, no definite and precise solution can possibly be expected, but some progress could be made. Moreover, the work required would involve no more than further elaboration of the research actually undertaken in any input-output analysis.

However, further elaboration on these lines can bring maximum benefit only if the forecasts of final demand itself are improved simultaneously. Much more knowledge is needed on the response of the pattern of demand to given changes in incomes before it will pay to refine very much more on the methods of assessing corresponding changes in output.

---

[46] The constancy of the coefficients Q_i, M_i and T_i of footnote 18. However, at least partial allowance for the effects of changes in indirect taxes can be made without much difficulty.

[47] See, for instance, Tjalling C. Koopmans, editor, *Activity Analysis of Production and Allocation*, Wiley, 1951.

[48] See Chapter II.

TABLE 8

OEEC countries combined: cumulated cost of final demand in 1953

Millions of dollars at current prices

Final demand / Origin of resources	Private consumption						Public con-sumption	Gross investment				Exports	Total demand
								Fixed			Stocks		
	Food	Cloth-ing	Rent	Dur-ables	Others	Total		Con-struction	Equip-ment	Total			
Net output of:													
Agriculture, forestry, fishing	18 100	300	—	100	2 400	20 900	100	200	—	200	400	1 500	23 100
Industry	10 000	6 200	—	4 300	12 400	32 900	5 800	12 800	11 000	23 800	1 100	11 600	75 200
of which :													
Mining and quarrying	300	200	—	200	2 000	2 700	400	300	500	800	—	800	4 700
Food, beverages and tobacco	7 000	100	—	—	1 500	8 600	—	—	—	—	—	600	9 200
Textiles and clothing	100	4 900	—	100	900	6 000	100	—	100	100	100	1 400	7 700
Chemicals	700	500	—	200	1 600	3 000	500	500	400	900	200	1 300	5 900
Basic metals and metal products	400	100	—	2 300	800	3 600	2 500	1 600	8 700	10 300	600	5 200	22 200
Other	600	200	—	1 300	3 000	5 100	700	2 500	800	3 300	100	1 500	10 700
Construction	500	200	—	—	500	1 200	1 200	7 600	—	7 600	—	200	10 200
Public utilities	400	—	—	200	2 100	2 700	400	300	500	800	100	600	4 600
Transport, trade and services	8 300	4 000	7 600	2 000	16 200	38 100	22 000	1 500	1 700	3 200	100	4 000	67 400
of which : Transport	500	100	—	200	3 400	4 200	1 200	300	900	1 200	100	2 000	8 700
Imports	6 500	2 900	—	800	3 100	13 300	800	600	2 400	3 000	300	3 000	20 400
Indirect taxes *minus* subsidies	3 100	2 600	—	2 200	11 800	19 700	600	1 100	1 200	2 300	100	1 000	23 700
TOTAL	46 000	16 000	7 600	9 400	45 900	124 900	29 300	16 200	16 300	32 500	2 000	21 100	209 800

TABLE 9

France: Cumulated cost of final demand in 1951

Billions of francs at current prices and percentages

Origin of resources \ Final demand	Consumption				Gross investment			Exports		Total demand	
	Private		Public		Fixed		Stocks				
	Value	Percentage	Value	Percentage	Value	Percentage	Value	Value	Percentage	Value	Percentage
Net output of:											
Agriculture, forestry, fishing	1 460	18	10	1	20	1	10	160	10	1 660	12
Industry	1 740	22	210	13	1 190	58	50	950	56	4 140	31
of which :											
Mining and quarrying	100	1	10	1	50	3		50	3	220	2
Food, beverages and tobacco	290	4	—	—	10	—		60	4	370	3
Textiles and clothing	420	5	—	—	20	1		210	12	650	5
Chemicals	190	2	20	1	30	1		100	6	340	3
Basic metals and metal products	280	4	80	5	510	25		360	21	1 250	9
Other	270	4	20	1	50	2		110	6	460	3
Construction	100	1	70	4	490	24		30	2	690	5
Public utilities	90	1	10	1	30	2		30	2	160	1
Transport, trade and services	2 560	32	1 230	78	230	11	—	240	14	4 260	32
of which : Transport	360	5	50	3	140	7		140	8	640	5
Imports	960	12	50	3	300	14	50	280	16	1 640	12
Indirect taxes *minus* subsidies	1 280	16	80	5	350	16	20	70	4	1 800	13
TOTAL	8 000	100	1 580	100	2 090	100	130	1 700	100	13 500	100

TABLE 10

Western Germany: Cumulated cost of final demand in 1953

Millions of DM at current prices and percentages

Origin of resources \ Final demand	Consumption				Gross investment			Exports		Total demand	
	Private		Public		Fixed		Stocks				
	Value	Percentage	Value	Percentage	Value	Percentage	Value	Value	Percentage	Value	Percentage
Net output of:											
Agriculture, forestry, fishing	10 200	12	200	1	600	2	−100	1 300	5	12 200	7
Industry	21 200	26	4 700	22	18 400	64	1 500	16 100	61	61 900	37
of which :											
Mining and quarrying	2 000	2	600	3	1 000	3		2 300	9	6 100	4
Food, beverages and tobacco	4 100	5	—	—	—	—		300	1	4 400	3
Textiles and clothing	5 600	7	300	1	300	1		1 000	4	7 500	4
Chemicals	1 700	2	400	2	500	2		1 900	7	4 600	3
Basic metals and metal products	3 400	4	1 400	7	7 500	26		8 200	31	21 220	13
Other	2 600	3	1 100	5	3 000	11		2 000	8	8 800	5
Construction	500	1	700	3	5 700	20		100	—	7 100	4
Public utilities	1 300	2	200	1	400	1		300	1	2 200	1
Transport, trade and services	26 400	31	14 300	67	3 300	12	200	4 100	16	48 300	30
of which : Transport	4 800	6	1 200	6	1 300	5		1 900	7	9 200	6
Imports	12 700	14	1 000	5	3 200	11	400	3 500	13	20 800	13
Indirect taxes *minus* subsidies	15 500	17	1 200	5	3 200	11	200	1 300	5	21 400	13
TOTAL	86 000	100	21 400	100	28 700	100	2 200	26 300	100	164 600	100

TABLE 11

Italy: Cumulated cost of final demand in 1953

Billions of lire at current prices and percentages

Final demand / Origin of resources	Consumption				Gross investment			Exports		Total demand	
	Private		Public		Fixed		Stocks	Value	Per-centage	Value	Per-centage
	Value	Per-centage	Value	Per-centage	Value	Per-centage	Value				
Net output of:											
Agriculture, forestry, fishing	2 450	30	—	—	30	1	—	180	14	2 660	21
Industry	2 010	24	120	11	1 530	68	20	520	40	4 200	31
of which :											
Mining and quarrying	50	1	—	—	40	2		30	2	120	1
Food, beverages and tobacco	600	7	—	—	—	—		40	3	640	5
Textiles and clothing	430	5	10	1	20	1		110	9	580	4
Chemicals	270	3	20	2	60	3		120	9	470	3
Basic metals and metal products	230	3	60	5	660	29		170	13	1 130	8
Other	230	3	20	2	190	8		40	3	480	4
Construction	—	—	—	—	530	24		—	—	530	4
Public utilities	200	2	10	1	30	1		10	1	250	2
Transport, trade and services	1 720	21	1 120	82	130	6	—	310	24	3 280	25
of which : Transport	..	..	..	..	..	..		..	..	..	..
Imports	970	11	60	4	380	17	10	240	18	1 660	12
Indirect taxes *minus* subsidies	1 160	14	40	3	180	8	—	50	4	1 430	11
TOTAL	8 310	100	1 340	100	2 250	100	30	1 300	100	13 230	100

TABLE 12

Netherlands: Cumulated cost of final demand in 1950

Millions of guilders at current prices and percentages

Final demand / Origin of resources	Consumption				Gross investment			Exports		Total demand	
	Private		Public		Fixed		Stocks	Value	Per-centage	Value	Per-centage
	Value	Per-centage	Value	Per-centage	Value	Per-centage	Value				
Net output of:											
Agriculture, forestry, fishing	1 310	10	—	—	130	4	50	780	10	2 270	8
Industry	2 830	22	570	20	1 250	35	440	2 010	26	7 100	25
of which :											
Mining and quarrying	170	1	30	1	20	1		110	1	340	1
Food, beverages and tobacco	650	5	—	—	10	—		350	5	1 050	4
Textiles and clothing	700	5	—	—	10	—		310	4	1 190	4
Chemicals	140	1	20	1	30	1		250	3	470	2
Basic metals and metal products	380	3	180	6	570	16		660	8	1 840	6
Other	490	4	110	4	140	4		250	3	1 100	4
Construction	90	1	210	7	460	13		40	1	830	3
Public utilities	210	2	20	1	10	—		40	1	280	1
Transport, trade and services	3 620	29	1 780	64	310	9	60	1 860	24	7 630	27
of which : Transport	450	4	70	2	40	1		780	10	1 360	5
Imports	3 560	28	320	12	1 600	45	960	2 660	35	9 100	32
Indirect taxes *minus* subsidies	1 330	11	100	4	270	7	50	370	5	2 120	8
TOTAL	12 650	100	2 770	100	3 560	100	1 560	7 680	100	28 220	100

TABLE 13

Norway: Cumulated cost of final demand in 1950

Millions of kroner at current prices and percentages

Final demand	Consumption				Gross investment			Exports		Total demand	
	Private		Public		Fixed		Stocks				
Origin of resources	Value	Percentage	Value	Percentage	Value	Percentage	Value	Value	Percentage	Value	Percentage
Net output of:											
Agriculture, forestry, fishing	1 360	13	20	1	180	4	–10	810	14	2 360	10
Industry	2 130	21	260	17	2 350	42	20	1 540	26	6 300	27
of which:											
Mining and quarrying	—	—	—	—	—	—		—	—	—	—
Food, beverages and tobacco	550	5	—	—	—	—		180	3	730	3
Textiles and clothing	590	6	10	1	50	1		30	—	700	3
Chemicals	90	1	10	1	10	—		350	6	470	2
Basic metals and metal products	200	2	70	4	770	14		310	5	1 340	6
Other	440	4	80	5	330	6		620	11	1 470	6
Construction	—	—	40	3	1 120	20		—	—	1 160	5
Public utilities	260	3	50	3	70	1		50	1	430	2
Transport, trade and services	3 470	34	1 090	71	560	10	10	2 050	34	7 180	31
of which: Transport	720	7	30	2	130	2		1 730	29	2 610	11
Imports	2 590	25	150	10	2 430	43	50	1 540	26	6 760	29
Indirect taxes *minus* subsidies	730	7	10	1	50	1	—	20	—	810	3
TOTAL	10 280	100	1 530	100	5 570	100	70	5 960	100	23 410	100

TABLE 14

Sweden: Cumulated cost of final demand in 1950

Millions of kronor at current prices and percentages

Final demand	Consumption				Gross investment			Exports		Total demand	
	Private		Public		Fixed		Stocks				
Origin of resources	Value	Percentage	Value	Percentage	Value	Percentage	Value	Value	Percentage	Value	Percentage
Net output of:											
Agriculture, forestry, fishing	2 800	14	—	—	300	4	—	1 300	20	4 400	12
Industry	4 400	23	500	15	5 800	68	–100	3 000	48	13 600	37
of which:											
Mining and quarrying	100	1	—	—	100	1		100	1	300	1
Food, beverages and tobacco	1 200	6	—	—	—	—		100	2	1 300	4
Textiles and clothing	900	5	—	1	100	1		400	6	1 400	4
Chemicals	600	3	100	2	200	2		300	5	1 100	3
Basic metals and metal products	600	3	200	6	2 400	29		1 400	23	4 600	12
Other	500	2	100	4	500	6		600	10	1 700	5
Construction	—	—	—	—	2 400	28		—	—	2 400	6
Public utilities	500	3	100	2	100	1		100	1	800	2
Transport, trade and services	6 900	35	2 400	77	900	10		1 100	17	11 300	30
of which: Transport	1 250	6	200	5	500	6		800	13	2 700	7
Imports	3 700	19	200	6	1 400	16	—	800	14	6 100	16
Indirect taxes *minus* subsidies	1 600	9	100	2	100	2		100	1	1 900	5
TOTAL	19 400	100	3 200	100	8 500	100	–100	6 300	100	37 300	100

TABLE 15

United Kingdom: Cumulated cost of final demand in 1950

Millions of pounds at current prices and percentages

Final demand / Origin of resources	Consumption				Gross investment			Exports		Total demand	
	Private		Public		Fixed		Stocks				
	Value	Percentage	Value	Percentage	Value	Percentage	Value	Value	Percentage	Value	Percentage
Net output of:											
Agriculture, forestry, fishing	610	6	—	—	—	—	10	30	1	650	4
Industry	2 250	24	410	20	1 180	70	−70	1 440	51	5 210	33
of which :											
Mining and quarrying	230	2	30	1	50	3		100	4	390	2
Food, beverages and tobacco	460	5	—	—	—	—		30	1	500	3
Textiles and clothing	380	4	—	—	20	1		240	8	630	4
Chemicals	150	2	20	1	20	1		80	3	270	2
Basic metals and metal products	410	4	170	8	590	36		780	27	1 920	12
Other	270	3	90	5	100	6		160	6	600	4
Construction	200	2	80	4	360	21		30	1	670	4
Public utilities	150	2	20	1	40	2		20	1	230	2
Transport, trade and services	3 150	34	1 410	68	230	13	−10	650	24	5 430	35
of which : Transport	..	..	..	..	..	..		..	..	..	..
Imports	1 940	21	210	10	210	12	−150	600	22	2 810	18
Indirect taxes *minus* subsidies	1 400	15	40	2	80	5	10	60	2	1 590	10
TOTAL	9 350	100	2 070	100	1 700	100	−210	2 780	100	15 690	100

TABLE 16

Changes in resources and their utilization between 1950 and 1955 in six European countries

Increases in resources	Increases in final demand											
	Consumption		Gross fixed invest-ment	Change in stocks	Exports	Total demand	Consumption		Gross fixed invest-ment	Change in stocks	Exports	Total demand
	Private	Public					Private	Public				
	France *Billions of francs at 1952 prices*						Western Germany *Billions of DM at 1954 prices*					
Net output of:												
Agriculture, forestry, fishing	300	—	—	−40	40	300	2.2	—	—	—	0.4	2.6
Industry	800	100	350	−170	330	1 410	7.2	1.5	8.2	1.1	14.4	32.4
Transport, trade and services	470	130	80	−10	90	760	7.7	3.5	1.5	0.2	2.8	15.7
Imports	390	50	70	−30	140	620	8.8	0.7	3.0	1.7	5.0	19.2
Indirect taxes *minus* subsidies	410	50	100	−30	50	580	8.1	0.5	2.0	0.2	1.3	12.1
TOTAL	2 370	330	600	−280	650	3 670	34.0	6.2	14.7	3.2	23.9	82.0
	Italy *Billions of lire at 1954 prices*						Netherlands *Billions of guilders at 1954 prices*					
Net output of:												
Agriculture, forestry, fishing	390	—	30	10	70	500	0.2	—	—	−0.1	0.4	0.5
Industry	800	220	680	40	240	1 980	—	0.3	0.5	−0.6	2.6	2.8
Transport, trade and services	240	190	70	—	70	570	0.5	0.5	0.1	—	0.9	2.0
Imports	280	80	120	10	120	610	1.2	0.3	1.1	−0.5	2.6	4.7
Indirect taxes *minus* subsidies	140	10	40	—	30	220	0.3	—	0.2	—	0.2	0.7
TOTAL	1 850	500	940	60	530	3 880	2.2	1.1	1.9	−1.2	6.7	10.7
	Norway *Millions of kroner at 1954 prices*						United Kingdom *Millions of pounds at 1948 prices*					
Net output of:												
Agriculture, forestry, fishing	70	—	—	−50	50	70	50	—	—	—	—	50
Industry	270	110	630	20	900	1 930	260	200	350	190	150	1 150
Transport, trade and services	400	250	50	—	700	1 400	330	100	70	30	170	700
Imports	1 130	50	700	10	770	2 660	270	40	80	160	100	650
Indirect taxes *minus* subsidies	300	—	10	—	10	320	90	—	10	20	10	130
TOTAL	2 170	410	1 390	−20	2 430	6 380	1 000	340	510	400	430	2 680

Sources : See Appendix B.

Chapter IV

THE CHANGING PATTERN OF WESTERN EUROPE'S TRADE

INTRODUCTION

After the second World War, the western European economies recovered far more rapidly than after the first World War, and the expansion of western European output and trade has continued, virtually without interruption, since the end of the reconstruction period. This favourable course of events was to no small extent promoted through the large-scale assistance received, primarily from the United States, but the principal supporting factor has undoubtedly been the almost continuous maintenance until recently of high levels of monetary demand in western Europe. The general expectation that, partly as a result of the greatly increased strength of organized labour, a falling off in total demand would not lead to widespread declines in domestic income levels has itself contributed to a relatively steady growth of investment — the most volatile element in aggregate domestic demand in the inter-war period. Indeed, the growing influence of organized economic groups in most western European countries has so far imparted to their economies a strong expansionary bias in the post-war period.

But in the last year and a half, as has been pointed out in Chapter II, the western European economic scene has changed considerably. As the gradual relaxation of restrictions on trade and payments has rendered national economies more vulnerable to outside influences, the problems inherent in the persistent upward push on money incomes exerted by trade unions and other economic groups, combined with insufficient harmonization between different national monetary and exchange rate policies, have become more apparent. By a process of elimination, domestic credit and fiscal policies have assumed increasing importance among the means used to deal with balance-of-payments strains, and in a number of countries contractionary policies have been resorted to also in the hope of counteracting the upward pressure on domestic cost levels. In pursuit of either aim, these policies expose the economy of the country concerned to *per se* undesirable losses of real output and employment; and in world trade serious consequences would flow from a considerable slackening of the pace of expansion in western Europe, if it were to coincide with a more serious decline in economic activity in North America. The falling off in the strength of demand in these two areas has already contributed to a decline in the prices and volumes of exports from a number of primary exporting countries.

Against this background, it has seemed worth while to attempt an assessment of the long-term consequences in the field of international trade and payments of different rates of growth of western European demand and output. For this purpose, projections have been prepared of western Europe's demand for imports from outside sources around 1975, and these projections have been combined with available estimates of the growth of demand for imports into the United States. The projections of western European import demand have been based on alternative sets of assumptions regarding the growth of total demand and output in the area. For this reason, among many others, the results arrived at are of a hypothetical character and are not to be interpreted as forecasts. They have, however, been considered sufficiently significant to serve as a basis for the discussion of the principal changes in the flows of international trade and payments that might occur.

The object of the present chapter is to stress the crucial role played in world trade by the industrial countries, and by western Europe in particular, and to describe major changes in the network of world trade from the middle of the inter-war period to the present day. Changes in the regional and commodity structure of western Europe's imports and exports are also analysed. Chapter V is devoted to the projections of western European and North American output and trade in 1975, and to a discussion of their more important implications, and an attempt is made to evaluate their consequences for economic developments in non-industrialized and semi-industrialized overseas countries.

1. The Dominating Position of the Industrial Countries in World Trade

The Motive Forces for Expansion

In 1956, trade among the countries of North America and western Europe amounted to about two-fifths of world trade, whereas trade among the primary exporting countries [1] made up less than one-tenth of world trade; the trade between these two groups amounted to another two-fifths of the world total, the remaining tenth being accounted for by the trade of Japan and the extra-trade of eastern Europe, the Soviet Union and mainland China. However, it is not the mere size of their share which gives to the industrial countries a decisive influence upon the course of world trade. The principal factor is the much higher levels of both total and per capita output and incomes in the industrial than in the primary exporting countries.

Since the combined output of western Europe and North America is very much larger than that of the primary exporting countries, the trade between these two groups exerts an appreciably smaller influence upon the domestic economies of the industrial countries than on those of the primary exporting countries. Quantitatively, imports from the primary exporting countries are not a major factor in the economy of the industrial countries, amounting to only about 3 per cent of the combined gross national product of western Europe and North America and roughly one-third of their production of primary goods. However, both imports from and exports to primary exporting countries are considerably more important to western Europe than to North America.[2] Changes in exports to the primary exporting countries may significantly affect the level of activity in western European industry. Nevertheless, the level of economic activity in the industrial countries — and their demand for imports — is determined mainly by factors within their own economies, particularly as the development of the total import demand of the primary exporting countries depends upon the financial resources available to them through exports and capital imports.

In these countries, and particularly in those at the earliest stage of economic development, the rate of saving is low and output is typically concentrated in lines where elasticities of demand (in respect of both price and income) and, generally, of supply are also low. The flow of imports into the primary exporting countries therefore tends to conform passively to the pattern of the flow of their foreign exchange receipts. A change in exports from the primary exporting countries will, with a certain time-lag which seldom exceeds one year, lead to an almost corresponding change in their imports.

Because per capita income levels are relatively high in North America and western Europe, their marginal rates of saving are high compared with those of the less developed countries. Further, goods for which the demand increases relatively strongly with income account for a large share of their production. For both reasons, a change in the exports of these countries will tend to cause a less than corresponding change in their imports, propagating the original impetus with diminished force.[3] If, on the other hand, a simultaneous expansion takes place in all or a major part of the industrial countries, the rise in their imports from the primary exporting countries will, with a brief delay, prove self-financing through an almost equal rise in their exports to these countries.

The argument may be recapitulated as follows: in the world economy, the major part (probably more than 90 per cent) of savings and also of investment arises in the industrial countries — net capital exports from industrial to primary exporting countries being quite small relatively to world savings. Thus, since investment is the principal dynamic component in an expanding economy, it is mainly to the economies of the industrial countries that one must look for the factors determining the level of world economic activity and of world trade.

Problems of International Harmonization of Monetary Policies

The distinction between industrial and primary exporting countries is not clear-cut, and the relative positions of different countries are subject to considerable change over time. Moreover, since the economies of the industrial countries are not integrated into one monetary system with a common economic policy, developments in world activity and trade are actually dominated by the course of events in a small number of major industrial countries. Typically, these are also the countries whose money and capital markets serve as international financial centres and whose currencies function as international means of payment on an extensive scale.

---

[1] The term " primary exporting countries " is intended to cover the greater part of the countries which are heavily dependent on exports of primary products. It is used to refer to all countries other than western Europe, North America, Japan, eastern Europe, the Soviet Union and mainland China. " Industrial countries " refers to western Europe, North America and Japan, in spite of the fact that certain countries in this group are exporters predominantly of primary goods and that some are not industrialized. Within the group of primary exporting countries a distinction is made between " non-industrial countries " such as Indonesia and " semi-industrial countries " such as Argentina.

[2] Imports from (and exports to) primary exporting countries amount to about 5 per cent of western Europe's GNP, whereas such imports (exports) amount to only about 1½ per cent of North America's GNP.

[3] In the case of rising exports this will not, however, hold true if activity levels pass beyond the point where the elasticity of domestic output declines rapidly, leading to a rise in the share of marginal demand diverted towards imports.

The conditions which must be fulfilled for a national monetary system to perform this function may be illustrated by the position of the pound sterling in the remote past before the first World War:

(i) The trade of the United Kingdom constituted a large part of world trade and regionally it was widely diversified. Therefore, any large change in the international trade and liquidity position of the United Kingdom was matched by a significant change in the position of the rest of the world. In addition, the integration of the British with the world economy was promoted by the existence in the United Kingdom of important world commodity markets which served as vehicles for the almost instantaneous transmission between different parts of the world of changes in business expectations.

(ii) The United Kingdom was an important source of imports for most other countries. An initial increase in British imports would, with a certain time-lag, prove self-financing to a high degree through a derived increase in exports. And a general rise in world economic activity would tend to strengthen the United Kingdom balance of payments on current account because the elasticity of demand for British exports was high in relation to that for British imports, though some other countries may have enjoyed an absolutely higher elasticity of world demand for their exports.

(iii) London was the centre of the international money and capital markets and supplied capital both on short and on long term. Both types of capital movements were sensitive to changes in international interest rate differentials and in economic conditions generally, and conditions in the London market exerted an important influence upon the rate of investment in overseas countries. Thus, the British monetary authorities were in a strong position to influence through their policies the international liquidity position of the United Kingdom, which, in addition, was strengthened automatically through any extraneous development which tended to discourage capital exports.

The conditions which must be fulfilled for a national currency to assume the position of an international means of payments are not sufficient to secure its efficient operation in this role. The comparison of the positions of the United Kingdom before the first World War and of the United States in the inter-war period illustrates this. The share of each country in world trade was large enough to give it a dominating position. But international transactions both on current and capital account were important factors in the British economy, so that changes in economic conditions abroad had, both automatically and by motivating modifications of British policies, a strong impact on the domestic economy which was reflected in the United Kingdom's transactions with other countries. United States trade and other international transactions, on the other hand, though large from the point of view of other countries, were small in the context of the United States economy, and that economy was thus much less affected by, and American economic policy much less influenced by, developments abroad than was the case in the United Kingdom.

Whereas before the first World War London was, though not without competition, the dominating centre of the international economy, in the inter-war and post-war periods the problem of international economic expansion has been complicated by the co-existence of several monetary centres and the consequent — and only gradually realized — increased need for international co-operation in monetary and other economic policies.

An imbalance in international payments will, in default of other and more direct measures, put pressure upon the deficit countries to apply contractionary policies and allow the surplus countries to expand. But these two opposite inducements do not present themselves with equal strength. If the countries concerned are small, the wider effects on third countries may be minor. If, however, the imbalance arises between major industrial countries, or international monetary centres, the fact that a decline in a country's international liquidity calls more urgently for remedial action than does an increase in liquidity may tend to impart a contractionary bias to world trade and activity. From the point of view of world economic expansion, therefore, improved international co-operation in the monetary policy field between the major industrial countries is of primary importance: discordance among others is of relatively much less moment.

The above argument has a direct application to the plans for a western European Common Market and Free Trade Area, which are commented upon in more detail in Chapter V. The principal question is not the extent to which the implementation of these plans will result in this or that diversion of trade, but rather in what direction and with what strength it will affect the level of economic activity in western Europe and thus the level of trade and general activity in the world at large.

In the post-war period two ideas have played a prominent role in western European economic thought: first, that the wasteful policies of the inter-war period

— when output and employment were often deliberately contracted in order to safeguard the balance of payments — should not be resorted to again; secondly, that a more rapid rise in western Europe's productivity should be achieved through intensified intra-European economic co-operation and through freer movement both of commodities and of labour and capital. The Common Market and Free Trade Area plans may be viewed as the most ambitious efforts so far to translate into action the second line of thought to the relative neglect of the first — which has, indeed, received scant attention in the economic policies of several countries in recent years.

That it may prove none too easy simultaneously to pursue these two ideas is indisputable. Integration, seriously meant, must imply that the participating countries abstain almost completely from subjecting their intra-trade and other mutual transactions to import controls and similar restrictions. For technical and political reasons, they may then also have to renounce the use of such measures for the regulation of their balances of payments with the outside world. This may increase the risk that contractionary policies are resorted to by deficit countries unless expansive action by surplus countries, or more frequent use of exchange rate adjustment, can be relied upon to play a larger part in helping deficit countries out of their difficulties. If the danger of greater reliance upon contractionary policies could be averted through the effective integration of national monetary policies, this very reduction of the babel of monetary centres combined with increased intra-European mobility of labour and capital should promote western European, and thereby world, economic expansion.

2. Basic Changes in World Trade Flows[4]

Over the last three decades, the shares of the industrial and primary exporting countries in the value of total world trade (imports and exports) have changed but little, as can be seen from Table 1. There was some fall in the share of the industrial countries during the depression of the 1930s, but this was largely a reflection of the drastic decline in the volume of their intra-trade, mainly as a consequence of the restrictionist trade policies pursued by the major countries in the group. Since the war, with the early expansion of United States trade and subsequently that of western Europe, and with the recovery in recent years by western Germany and Japan of their inter-war importance as trading countries, the share of the industrial countries in world trade has tended to move towards or to exceed the level prevailing during the 1920s.

In 1956 the exports of the industrial countries formed a somewhat higher share of world trade than in 1928, while their share in world imports was somewhat lower. This disparity in the development of the exports and imports of the industrial countries was mirrored in the trade of the primary exporting countries, whose imports rose considerably more than their exports. These important changes in balances of trade are discussed further below.

Other significant changes in trade flows can be briefly stated: the trade between the industrial countries and eastern Europe contracted sharply in the post-war years and, among industrial countries, western Europe was particularly affected by the sharp reduction in this previously important exchange of manufactures against primary products. Trade among the industrial countries constituted roughly the same proportion of world trade in 1956 as in the 1920s. Trade among the primary exporting countries, on the other hand, accounted for a significantly higher, though still small, share of world trade[5] and this development seems to have been largely due to the growth of industrial production in some of these countries. Thus, the developments of more far-reaching significance have been not the changes in the relative shares of the industrial and the primary exporting countries in the value of world trade but, as is indicated below, in the volumes and the balances of trade between the two groups, and in the shares of individual countries or smaller groups of countries in the trade of each group.

The Position of Western Europe in World Trade

Among the industrial countries, the trade of the United States has expanded appreciably faster than that of western Europe over the last thirty years, with the result that the United States now accounts for a greater proportion of world trade than in the 1920s. This represents the continuation of a long-term tendency — interrupted by the depression of the 1930s — toward a faster rise in population, output and trade in the United States than in western Europe.

The relative decline in western Europe's imports has been somewhat greater than in its exports, largely as a result of the behaviour of British and western German imports. To some extent this relative decline was in the nature of a once-and-for-all change brought about by the deterioration in the balance of payments of the United Kingdom, where the loss of investment

---

[4] The trade experience of industrial as well as of primary exporters was discussed in considerable detail in the United Nations *World Economic Survey*, 1955 and 1956.

[5] The rounded figures of Table 1 obscure this change.

TABLE 1

Network of world trade

Percentages of world exports

Imports to	Year	Exports from								
		United Kingdom	Western Germany [a]	Other western Europe	Western Europe [a]	North America [b]	Industrial countries including Japan	Primary exporting countries	Eastern Europe and Mainland China [c]	WORLD [c]
United Kingdom . . .	1928		1	5	6	3	9	6	1	16
	1937–38		—	5	5	4	9	8	1	18
	1956		—	3	3	2	5	5	1	11
Western Germany [a] . .	1928	1		3	4	2	6	3	1	10
	1937–38	1		3	4	—	5	2	1	8
	1956	—		3	3	1	4	2	—	6
Other western Europe	1928	3	4	7	14	4	18	5	2	25
	1937–38	3	5	6	14	3	17	6	2	25
	1956	3	5	8	16	4	21	6	1	28
Western Europe [a] . . .	1928	4	5	15	24	9	33	14	4	51
	1937–38	4	5	14	23	7	31	16	4	51
	1956	3	5	14	22	7	30	13	2	45
North America . . .	1928	2	1	1	4	4	9	6	1	16
	1937–38	1	—	2	3	4	8	6	—	14
	1956	2	—	2	4	7	12	7	—	19
Industrial countries including Japan	1928	6	6	17	29	14	44	21	5	70
	1937–38	5	6	16	27	12	40	24	5	69
	1956	5	6	16	27	15	43	22	2	67
Primary exporting countries	1928	6	1	4	11	5	16	7	1	24
	1937–38	6	2	4	12	5	18	6	1	25
	1956	5	2	6	13	8	22	7	1	30
Eastern Europe and Mainland China [c]	1928	—	2	1	3	1	5	1		6
	1937–38	1	2	1	4	1	5	1		6
	1956	—	—	1	1	—	2	1		3
WORLD [c]	1928	12	9	22	43	20	65	29	6	100
	1937–38	12	10	21	43	18	63	31	6	100
	1956	10	8	23	41	23	67	30	3	100

Source : See Appendix Table IX.

[a] Including eastern Germany for pre-war years.

[b] Excluding special category exports for the United States.

[c] Excluding the trade of China and the countries of eastern Europe with one another.

income was not offset by a corresponding increase in exports. As a result, the total volume of British imports changed little between 1937-38 and 1956.

The less rapid growth of western Europe's exports than of those of the United States was not due to any decline in the proportion of world imports going to western Europe's principal export markets, but rather to a fall in western Europe's relative share in most of those markets. In recent years western Europe has, however, succeeded in regaining some of the ground previously lost to the United States, particularly in Latin American countries.

The decline in the relative importance of western Europe as a trading area is reflected in its reduced ability to influence the levels of trade and economic activity in the world as a whole, as well as in the primary exporting countries; and a very rough quantitative expression may be given to this change. An expansion of western Europe's imports consequent upon an autonomous rise in economic activity may be expected to lead to a considerable rise in its exports even if it is assumed that neither economic activity in nor imports into North America are significantly affected. On the basis of the changes since before the war in the import structures of western Europe and other areas, an estimate may be made, under rather restrictive assumptions, of the change in the extent to which any increase in western European imports will prove " self-financing " through an induced increase in exports.[6] It appears that the degree of " self-financing " has, in fact, fallen by about 20 per cent since before the war and that this is due primarily to the higher share of North America in imports into most areas, to the fall in western Europe's trade with eastern Europe and to the fall of western Europe's share in Latin American imports. It may similarly be concluded that a given rise in North American imports — due to higher activity in that area — will call forth a rise in world trade, and in western Europe's exports in particular, which may be expected to be smaller now than it would have been before the war. This change, which is mainly the result of the higher share of the United States in world exports, has taken place in spite of a rise in western Europe's direct share in North American imports from outside sources. The changes since before the war in the network of world trade have thus tended to reduce the ability of western Europe to expand its trade independently of any simultaneous expansion of United States import demand, and to decrease also — though probably to a smaller extent — the expansion of western European trade induced by a rise in North American imports.

However, since the end of the war — and especially in the earlier post-war years — it has been the low level and the maldistribution of international liquidity, more than the changes in trade structures, which have narrowed the scope for economic expansion in western European countries. Countries have frequently tightened or relaxed their domestic economic policies as an adjustment to balance-of-payments developments which under conditions of higher international liquidity might safely have been ignored.

A long-run tendency for the volume of imports of primary goods into the industrial countries as a group to decline in relation to their total manufacturing output has frequently been noted. The causes of this tendency are partly of a general nature: the demand for the food products of agriculture rises less than in proportion to the growth of demand for industrial goods, and there has been a decided drive towards increased self-sufficiency in food; technical progress leads to a decline in the input of natural raw materials per unit of manufacturing output and to a substitution by synthetic products; the composition of manufacturing production in the industrial countries has shifted — partly under the impact of changing export demand — towards types of output in which the input of primary goods is relatively small. But a scarcely less important cause is that the share of the United States in world manufacturing production has increased, relatively to that of western Europe, and that imports of primary goods are much smaller in relation to manufacturing output in that country than in western Europe.

Since the latter half of the 1920s, imports from the primary exporting countries into the United States and western Europe have fallen from about 3½ per cent to rather less than 3 per cent of the combined gross national product of these two areas. This fall has come about through a decline — completed in the inter-war period — of such imports into the United States from about 2 to about 1½ per cent of its gross national product combined with a more rapid rise in the GNP of the United States than of western Europe. Imports from the primary exporting countries into western Europe declined from about 5 per cent in 1928 to about 4 per cent in 1937-38 of that area's combined GNP. By the 1950s, however, such imports as a proportion of gross national product had regained the level of the late 1920s, mainly as a result of the strong rise in their prices. In consequence, though from 1928 to 1956 the GNP of the United States increased by about two-thirds more than that of western Europe (on the basis of current prices and exchange rates) exports from primary exporting countries to western Europe increased only 20 per cent less than their exports to the United States and amounted to 45 per cent of their total exports.

In spite of the rising share of the United States in world trade, western Europe's importance, both as a supplier and as a purchaser of goods, is still pre-eminent for almost all the major trading regions. The only exception is Latin America, where geographical proximity, close economic ties and the nature of the commodities exported, have contributed to produce a value of trade with the United States exceeding that with western Europe by about two-thirds in 1956. For the primary exporting countries as a group, however, trade with western Europe in that year was nearly twice the value of their trade with the United States.[7]

---

[6] For these computations, tables have been prepared for 1937-38 and 1956 showing the percentage distribution of imports by areas of origin for North America, western Europe, Japan, Latin America, areas affiliated with western Europe, other primary exporting countries, eastern Europe and mainland China. First, the total trade expansion and its geographical distribution consequent upon a given rise in western European imports has been estimated on the assumptions that North American imports remain unchanged, that western Europe's imports do not change beyond the initial rise, but that all other areas raise their imports by an amount equal to the rise in their exports and that the geographical patterns of the increase in imports coincides with that shown for total imports in the tables for pre-war and post-war respectively. Secondly, the total trade expansion induced by a rise in North American imports has been computed in a similar way, both on the assumption of a rise in western Europe's imports equalling the rise in its exports and on the assumption that there will be no induced increase in western European imports. Primary importance attaches not to the separate results for pre-war and post-war trade patterns but to the changes from the one period to the other. Similar results, based on trade structures in 1938 and 1953, have been published by W. Beckerman in *Econometrica*, 1956, p. 239.

Two other considerations are pertinent in assessing the vital importance of western European trade within total world trade. Past experience indicates that, broadly speaking, the frequency and the amplitude of fluctuations in output and trade have been greater in the United States than in western Europe as a whole.[8] Thus, western European trade, in addition to being large, has been a steadying influence on the general level of world trade and thus of over-all economic activity. In the second place, increasing economic integration in western Europe in the post-war years, including the recent creation of the European Economic Community, opens up the possibility of fashioning coherent and co-ordinated economic policies for this large trading group which might permit the maintenance of a steadier growth of world economic activity and trade in the future.

The Trade between Industrial and Primary Exporting Countries

Since the pre-war period, two major changes have taken place in trade between the industrial and the primary exporting countries: the volume of exports has grown much more slowly in the primary exporting than in the industrial countries; and the growth of primary exports has been confined largely to certain areas exporting mainly petroleum and other mineral products and a few other commodities.

Over the last two decades, the volume of exports from the industrial countries to the primary exporters has doubled, whereas that of the imports from the primary exporters has increased by one-third.[9] The disequilibrium in international payments implicit in such widely divergent movements was to a considerable extent counteracted by a number of factors: an improvement in the terms of trade of the primary exporters, particularly in the early post-war years, largely as a consequence of the changes in relative export volumes; a decline in their service and other invisible payments to industrial countries; a drawing down of reserves accumulated by them during the war years, and an increase in the flow of grants and credits from the industrial areas. But despite these factors, persistent balance-of-payments difficulties have been experienced by most of the primary exporting countries.

TABLE 2

Share of major primary exporting regions in their total trade

Percentages

Area	1928	1937-38	1952	1956
Share in total exports of the group				
Countries exporting mainly:				
Petroleum products	5	7	20	24
Other minerals	8	11	11	13
Agricultural raw materials .	48	38	34	31
Food products	39	44	35	32
Share in total imports of the group				
Countries exporting mainly:				
Petroleum products	5	7	11	12
Other minerals	7	8	12	12
Agricultural raw materials .	47	40	39	33
Food products	41	45	38	43
Share of selected countries[a] in				
Total exports of the group . .	41	32	19	16
Total imports of the group . .	31	25	21	17

Source: Appendix Tables IX and X.

[a] Includes Burma, Ceylon, India, Pakistan and Indonesia in Asia, Egypt in the Middle East, and Argentina in Latin America.

However, the experiences of various groups of primary exporting countries have differed so greatly that statements about the development of their combined exports afford an inadequate description of the real course of events. As appears from Table 2, a dramatic expansion has occurred since before the war in the share of petroleum producers in the total exports of the primary exporting countries as a group, while countries relying mainly on exports of other minerals have experienced a moderate rise in their export share. On the other hand, the share of the exporters of mainly agricultural products (raw materials and food) has fallen from 87 per cent of the total to 63 per cent; and within this group the decline has been much sharper for the exporters of raw materials than for those exporting mainly food products. Thus, a large structural shift has taken place in the import demand of industrial countries. Agricultural raw materials and food products, which predominated in primary exports throughout the nineteenth and early twentieth century, are now giving way to petroleum and mineral products.

In the industrially developed countries a correlation — admittedly weak — may be observed between the growth rates of population, output and exports. But the structural changes in the imports of the industrial countries have created an increasing disproportion between the import capacities of the primary exporting countries and the size and growth of their populations, though not all countries in this group have been adversely affected to the same extent. The per capita export proceeds of the petroleum-exporting countries have, indeed, reached levels comparable with those of the industrial countries, and the consequent increase in their import capacity (even after providing for remittances by foreign-owned companies) has widened their scope for economic development. To a smaller extent, this is true also for the major countries in the group exporting mainly other minerals; but the experience of the exporters of agricultural products has been entirely different. The import capacity of this group, accounting for nearly nine-tenths of the population of all primary exporters, has grown only slowly, and most of the growth was concentrated in the countries producing important quantities of certain commodities such as coffee, cocoa, rubber and wool.

---

[7] See Appendix Table IX.

[8] For reference to inter-war experience, see Hal B. Lary, *The United States in World Economy*, United States Department of Commerce, Washington, 1943, p. 30. The general statement is also true of the post-war period, although the amplitude of fluctuations in the United States has been considerably smaller than during the inter-war period.

[9] Estimates based on United Nations indices of export volumes by regions.

So far as the producers of other commodities — such as jute, rice, tea, vegetable oils, oil-seeds, and cotton — are concerned, the value in current dollars of their exports in 1956 was barely above that in 1928. Thus, for instance, the combined value of exports from Burma, India, Pakistan, Indochina, Indonesia, Egypt and Argentina in 1956 was about the same as in 1928, although the current value of world exports, and of all primary producers' exports, increased two and a half times in this period. These areas contain nearly half the population of all the primary exporting countries, and accounted for slightly less than half the exports of the primary exporters in 1928. The stagnation in the value of their exports over the last three decades indicates that the vast expansion in world trade during this period has by-passed these areas.

The Balance of Trade between Industrial and Primary Exporting Countries

As may be seen from Table 1, the primary exporting countries as a group have experienced a much larger increase in their imports from the industrial countries since before the war than in their exports to those countries. The United Kingdom and the United States have been the main contributors to this change, while other industrial countries increased their net drawings on world resources[10] (see Table 3).

TABLE 3

Changes in trade balances

Billions of dollars at 1956 f.o.b. prices of manufactured exports

	1928 to 1937-38	1937-38 to 1956
Industrial countries	−0.25	+2.95
of which : United Kingdom	−1.00	+2.70
United States	−0.55	+2.70
Primary exporting countries	+0.30	−2.90
of which :		
Countries exporting mainly:		
Petroleum		+3.00
Other minerals		−0.40
Agricultural raw materials		−1.50
Food		−4.00

Sources and methods: See Appendix B.

Whereas the pronounced change towards a surplus in the trade balance of the United States, shown in the table, was accompanied by a strong rise in the real value of investment income from abroad, United Kingdom receipts from this source declined drastically. On the other hand, United Kingdom net receipts from other current transactions changed little, while for the United States there was a large decline, mainly accounted for by military expenditure abroad. As a result, there has been little difference between the United Kingdom and the United States in the change since before the war in the real value of the balance on account of goods and services.

Change from 1937-38 to 1955-56[a] in the balance of goods and services

Billions of dollars at 1956 f.o.b. prices of manufactured exports

	United Kingdom	*United States*
Trade balance	+2.8	+2.3
Net investment income	−1.6	+1.3[b]
Other services	−0.2	−2.5
Goods and services	+1.0	+1.1

Sources: National statistics.

[a] The average of 1955-56 represents the position in recent years better than 1956 only.

[b] Excluding re-invested earnings of United States subsidiaries abroad.

The change since before the war in the relative volumes of imports and exports of the primary exporting countries was even larger than appears from Table 3, because over the same period the terms of trade moved in favour of the primary exporters. From 1937-38 to 1956 the volume of the primary exporting countries' imports from North America and western Europe per unit of their exports to these countries probably rose by some 50 per cent. However, a large part of this change in the gross barter terms of trade may be considered a reversal of the opposite development which took place during the depression of the 1930s. The rise from 1928 to 1956 in the primary exporting countries' imports per unit of their exports may be put at some 15 to 20 per cent.

---

[10] There was, however, a considerable change in the trade balance of Germany from the latter half of the 1920s, when capital was imported on a large scale, to the 1930s.

The strong rise since before the war in the total of the primary exporting countries' imports as compared with their exports was experienced almost exclusively by the countries exporting mainly agricultural products; and among these the change was particularly striking for the exporters of food.[11] Since in the petroleum-exporting countries a large part of the rise in export receipts had to be used for remittances by foreign-owned petroleum companies, imports rose much less than exports. On a smaller scale a similar development has taken place in other countries, and particularly among exporters of other minerals. Thus, as appears from Table 2, the discrepancies between developments in the four main groups of primary exporting countries were considerably smaller on the side of imports than on the side of exports.

---

[11] African territories in the French franc area accounted for a large part of the change.

3. WESTERN EUROPE'S IMPORTS FROM PRIMARY EXPORTING COUNTRIES [12]

Long-term Changes in the Composition of Imports

During the course of the last three decades, the commodity composition of western Europe's imports from overseas has undergone a pronounced transformation. Food and agricultural raw materials, which had predominated in western Europe's imports till the end of the first quarter of this century, have steadily lost in importance, giving way to mineral products and fuels. This basic shift in the commodity structure of imports has also meant a considerable geographical reorientation in the sources from which they have been drawn.

In contrast to the developments in the period before the 1920s there has been a fairly continuous decline in the share of agricultural commodities, both food and raw materials, in total imports of most western European countries throughout the last three decades [13] (see Table 4).

During the great depression, nearly all western European countries intensified their drive towards increased self-sufficiency in agricultural products with the aim of maintaining the domestic level of farm employment and income; and this had the most marked impact on imports of agricultural products into Italy, the Netherlands and the Scandinavian countries. Subsequently, the war, and the consequent disruption of supplies from traditional sources, helped to reinforce the trend towards self-sufficiency and there was a pronounced fall in imports of agricultural products during the war and early post-war years in the three countries which were the largest importers — the United Kingdom, France and western

---

[12] Since Chapter II deals with the developments of intra-western European trade and pays special attention to western Europe's trade in manufactures, interest is here focused on trade with the primary exporting countries. These countries do not contribute more than 5 per cent of total western European imports of finished capital and consumers' goods.

[13] For a more detailed discussion, see Economic Commission for Europe and Food and Agriculture Organization, *European Agriculture : A Statement of Problems*, Geneva, 1954.

TABLE 4

Share of agricultural products [a] in the imports of selected countries

Country	Agricultural imports as percentage of total imports [b]					Value of agricultural imports in 1956 (billions of dollars)
	1913	1928	1938	1952	1956	
United Kingdom	59	60	58	50	47	5.1
Western Germany [c]	49	51	47	47	39	2.6
France	50	48	46	40	37	2.1
Italy	35	47	26	34	25	0.8
Belgium-Luxembourg	..	37	37	31	23	0.8
Netherlands	..	36	26	24	21	0.8
Sweden	27	34	20	19	16	0.4
Denmark	39	44	29	20	22	0.3
Norway	28	30	21	17	16	0.2

Sources : European Agriculture : A Statement of Problems, FAO/ECE, Geneva, 1954, and national statistics.

[a] Includes SITC commodity groups 0 (except 031 and 032), 1, 221, 262, 263, 265, 92 and part of 292.

[b] Based on current values.

[c] Whole of Germany for pre-war years.

TABLE 5

Degree of dependence on imports for selected food products

Commodity	Net imports as percentage of total supplies									Net imports into the OEEC area (millions of tons)		
	United Kingdom			Western Germany			Total OEEC countries					
	Pre-war	1950/51-1952/53	1953/54-1955/56	Pre-war	1950/51-1952/53	1953/54-1955/56	Pre-war	1950/51-1952/53	1953/54-1955/56	Pre-war	1950/51-1952/53	1953/54-1955/56
Bread grain	77	64	61	23	29	27	26	26	18	11.9	12.3	9.3
Coarse grain	62	31	34	20	27	25	27	19	20	11.3	7.7	9.4
Sugar	79	75	71	51	36	17	46	34	27	2.8	2.3	2.1
Vegetables.	16	21	20	8	13	16	2	2	3	0.31	0.48	0.68
Fruit and nuts . . .	79	64	67	18	27	37	21	16	17	2.6	3.0	3.6
Meat	52	45	43	7	5	6	12	6	6	1.66	0.88	0.96
Butter	91	93	90	4	7	6	17	11	9	0.21	0.13	0.12
Other fats and oils .	83	91	79	60	71	72	57	58	54	2.3	2.6	2.6
Cheese	76	76	59	11	15	18	6	6	3	0.08	0.08	0.04
Eggs	34	22	16	11	28	36	5	4	4	0.10	0.09	0.09

Sources : Agricultural and Food Statistics, OEEC, Paris, 1956.

NOTE. — Pre-war years are, in general, 1934-38.

Germany[14] — as well as in western Europe as a whole.[15] In more recent years, the maintenance of protectionist policies and the development of man-made substitutes for imported natural materials have led to a continuation of this downward tendency. Between 1952 and 1956 there was a further decline of about 3 per cent in the share of agricultural products in the total volume of imports into the area as a whole, the fall being much sharper in western Germany, Italy and Belgium, than in the United Kingdom, France and Norway.

Food, drink and tobacco. — The volume of food imports into western Europe fell by about a tenth between the 1920s and the 1930s and by a further fifth between the 1930s and the 1950s. As a result, food imports during the 1950s amounted to less than a sixth of domestic food output, as compared with nearly a fourth during the 1930s. This decline was mainly the result of a replacement of imported food products by increased domestic output made possible, in some instances at a higher cost, by the protectionist policies already mentioned. The degree of self-sufficiency has increased in all the food products shown in Table 5, except vegetables, for which the dependence on imports of western Europe as a whole is only marginal.

The over-all decline in food imports did not, of course, affect the imports of each individual commodity in the food basket in the same way. Broadly speaking, imports of items such as grain, meat, dairy products and sugar — which could be produced at a reasonable cost in most western European countries — fell, whereas imports of products such as coffee, cocoa, tea — which could not be grown in western Europe — increased, as did imports of tobacco, though to a lesser extent. The divergent movements in the imports of these groups of commodities were, moreover, influenced by the fact that the rise in per capita incomes and in the standard of living was reflected in a relatively much larger increase in demand for beverages and tobacco than for cereals (see Chart 1). As a result, the imports of commodities competing directly with products of importance in western European farming fell not only in relation to total imports and consumption, but also in absolute terms. The major exceptions were vegetables, fruit and nuts and vegetable oils, imports of which rose absolutely, mainly because even a relatively faster increase in domestic supplies was inadequate to meet the rising demand.

Agricultural raw materials. — Since most of the agricultural raw materials imported from overseas could not be grown in Europe, restrictive agricultural policies had little impact on the demand for them. However, technological advances in the development of many man-made substitutes for agricultural raw materials have played a role similar to that played by agricultural protection in relation to food imports. This development, owing its origin to war-time scarcities and strategic considerations, has greatly influenced import needs for agricultural raw materials.

Two major man-made products — synthetic fibres and plastics — have come into widespread use during

---

[14] The shifts since the pre-war period in western Germany are more important than is indicated by the above data, since the partition of Germany substantially increased western German dependence on agricultural imports.

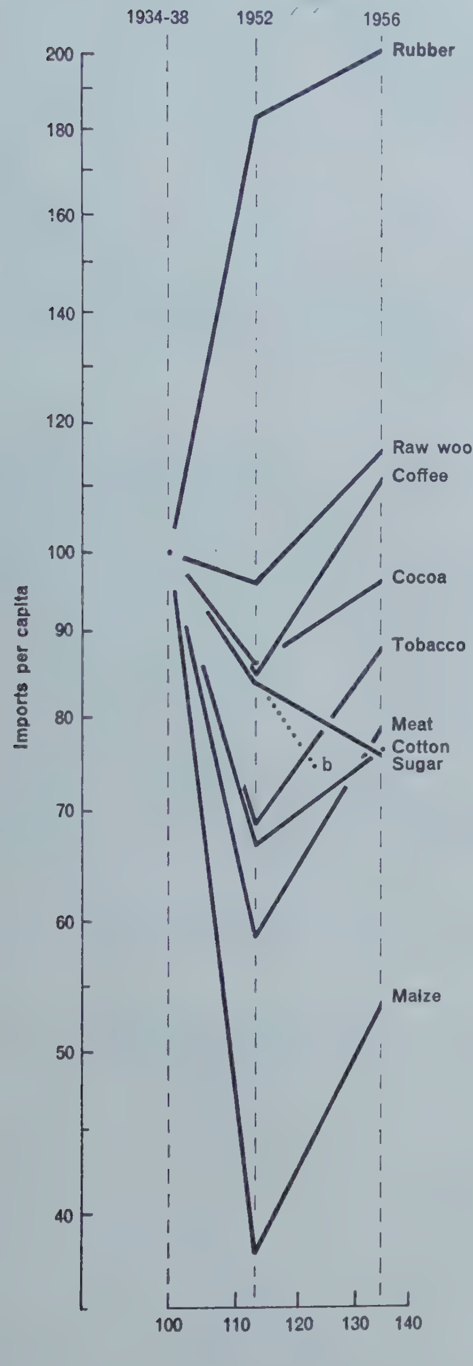
[15] Because of the divergent movement in prices, the shift in real terms was somewhat smaller in the inter-war years and larger in the post-war period than is suggested by the data in Table 4.

CHART 1

Per capita gross national product and net imports of selected commodities in western Europe [a]

Index numbers of volume — 1934-38 = 100

Double logarithmic scale



Sources and methods: See Appendix B.

[a] Western Germany has been excluded in the comparison of 1952 with pre-war.

[b] WHEAT: annual average for 1953-55.

[c] 1938 = 100.

the post-war years. Man-made fibres compete particularly with cotton, while plastics compete not only with natural materials of agricultural origin (leather, paper, wood, etc.), but also to some extent with mineral products, such as glass and ceramics, steel and non-ferrous metals.

The shift in western European textile production to man-made fibres is largely a post-war phenomenon, since the production of these fibres in pre-war Europe was of importance only in Germany and Italy. But even before the widespread appearance of these fibres, there was a sharp decline in western Europe's imports of raw cotton during the inter-war years. The growth of the cotton textile industry in a number of overseas countries, and especially the severe competition from Japan, had led to a contraction in western European exports of cotton textiles to overseas countries, and consequently to a fall in raw cotton imports. The fall in imports of cotton into western Europe has continued during the post-war period as the export demand for cotton textiles has fallen further and as man-made substitutes, particularly rayon, have come into increasing use. Thus more than two-thirds of the increase in industrial consumption of apparel fibres in western Europe between 1938 and 1956 was accounted for by man-made fibres, and although total consumption of all apparel fibres rose by one-third, that of cotton increased by only 11 per cent. The post-war expansion of cotton cultivation in southern Europe, now supplying 15 per cent of western European consumption, further aggravated the problems faced by the traditional raw cotton exporters.

Wool, on the other hand, has so far suffered less from the development of man-made fibres than cotton, and imports of wool into western Europe have actually increased during the post-war years. The stagnation of imports — in terms of tonnage — during the inter-war period reflected mainly the effect of importing a higher proportion of scoured wool (scouring reduces the weight by half).

Other agricultural materials which have met with sharp competition from synthetic products include hides and skins, which tend to be replaced by rubber and plastics. World output of plastics more than doubled between 1950 and 1956; and rose from around 0.1 million tons before the war to 3.1 million tons in 1956. In that year 1.6 million tons were produced in the United States. Imports of vegetable oils, on the other hand, have risen somewhat as compared with the pre-war level, largely reflecting the manufacture of increased quantities of margarine; but import demand for other industrial purposes has fallen as a result of the greater output of synthetic detergents and the substitution of tallow in soap production.

In contrast to the materials mentioned above, imports of rubber into western Europe have been rising very rapidly. Rubber is one of the few agricultural materials for which demand has been rising very fast, as a result of the considerable expansion of the motor vehicle industries in western Europe, and where development of synthetics has so far had little impact on imports.[16]

Minerals, base metals and petroleum. — The continuous decline in imports both of food and of most agricultural raw materials into western Europe has been accompanied by a marked expansion of imports of minerals, base metals and petroleum. In most cases, the domestic output of these items is not important, and most countries have been reluctant to take measures which would lead to a deterioration in the competitive position of domestic manufacturing industries. Imports have not, therefore, generally been subject to restrictions or rising tariff barriers and the total volume and the share of these imports have continued to increase during the last three decades.

Imports of aluminium, copper and zinc rose rapidly, thanks to a much larger expansion in consumption than in domestic production of these metals in western Europe (the output of copper ore in western Europe having, in fact, remained virtually stationary in terms of metal content over the past three decades). Changes in imports of tin and lead were minor, in the first case because of the stagnation of consumption and in the second because of the high rate of recovery of scrap metal. The share of refined products in net petroleum imports declined from two-thirds in the late 1930s to one-fourth in 1951 and 8 per cent in 1955, reflecting in the main the substitution of Middle Eastern sources for the United States. Imports of refined petroleum now consist mainly of speciality products or of quantities needed to supplement domestic production in periods of sharply increasing demand.

Changes in Imports between 1952 and 1956

Western Europe's imports in general rose considerably faster in the period 1952 [17] to 1956 than in earlier years. As can be seen from Table 6, the total volume of imports into nine major western European countries increased faster than industrial output. In the United Kingdom, however, the growth of industrial production and of the volume of imports was substantially slower than in the other countries. For the nine countries combined, the volume of imports of crude materials and petroleum from primary exporting countries and of manufactured articles from European sources expanded more than food imports.

TABLE 6

Percentage increases in output and imports between 1952 and 1956

	United Kingdom	Other western European countries [a]	Total
Gross national product . . .	15	24	21
Industrial production	19	39	32
Agricultural production . .	11	17	16
Volume of imports:			
Total	19	53	42
Food [b]	22	39	31
Raw materials [c]	13	50	36
Fuel	37	55	51
Other	15	63	51

Sources : See Appendix B.

[a] Western Germany, France, Italy, Belgium-Luxembourg, Netherlands, Sweden, Denmark, Norway.

[b] SITC sections 0 and 1.

[c] SITC sections 2 and 4.

In comparison with pre-war trends, imports of raw materials into western Europe in the immediate post-war years lagged considerably behind the rise in industrial production and the gross national product. By the early 1950s, however, when the total volume of imports into western Europe was still barely above the immediate pre-war level, shipments of many commodities — such as petroleum, steel, aluminium and rubber — were much higher than in pre-war years. Most other non-agricultural raw materials were imported in quantities not substantially lower than before the war.

The extent to which individual industrial materials participated in this increase in imports varied a great deal;[18] and the differences in the experiences of individual commodities were associated with changes in the structure of industrial output — where the emphasis on engineering and the metal industries increased — and with the development of synthetic substitutes over this period. Thus imports of materials primarily used in the non-durable consumer-goods industries, such as cotton, wool, hides and skins, oil-seeds, oils and fats, rose less rapidly than did imports of materials mainly used by durable consumer- and producer-goods industries, such as steel and non-ferrous metals.

---

[16] In 1955 synthetic rubber accounted for less than a seventh of total western European consumption of rubber; in the United States, however, it accounted for nearly 60 per cent of total rubber consumption.

[17] During 1952 a slight set-back in industrial activity and a reduction of inventories brought about a sharp decline in imports of some raw materials in a number of western European countries; but for the year as a whole, these imports, though generally lower than in 1951 — the peak year of the raw material boom induced by the Korean war — were not, except in the United Kingdom, particularly low by comparison with the pre-Korean situation or with that of 1953.

[18] Continental western Europe's imports of industrial raw materials from overseas expanded almost as rapidly as did imports of these materials from all sources.

The heavier dependence of western European industry on supplies from overseas sources in the 1950s has been the result mainly of two factors: the slow increase in the domestic output of metals and the increasing inability of western Europe to meet its energy requirements from its own resources. The slow expansion of output of coal and hydro-electricity and the rising demand for oil products — in particular black oils — have sharply increased western Europe's dependence on foreign sources for its fuel supplies, especially petroleum. During the period 1950 to 1955 the consumption of primary energy in western Europe increased nearly twice as rapidly as did domestic production.

On the basis of the short experience of the last four years it is, of course, not possible to say whether the recent structural shifts in western European industry and increasing dependence on outside energy supplies have now altered the tendency, observed over a longer period, for the growth of imports of raw materials to lag behind the rise in industrial output. These years, during which the recovery of western German imports and exports took place and shortages of supplies from overseas sources disappeared, can hardly be used as a basis for long-term generalization, although it is possible that the recent movement towards a restoration of the pre-war relationship between raw material imports and industrial output may have been substantially completed. The replacement of traditional materials — raw fibres, rubber and vegetable oils — by synthetics may well have been stimulated by shortages of supplies from overseas sources in the early post-war years and have been slowed down by the more recent recovery of these supplies. This may equally be true of the progress made in economizing industrial materials by recovery of scrap, for instance in the non-ferrous metals and the tobacco industries. In addition, the deficient state of statistics on inventories in western European countries makes very hazardous any statement on changes in the import content of production based on over-all import statistics for only a few years.

Shifts in the Origin of Imports

The changes in the commodity composition of western Europe's imports discussed above have brought about important shifts in the origin of imports (see Table 7). The share in western European imports of the petroleum and mineral exporting countries has increased sharply at the expense of countries exporting mainly foods and other agricultural commodities. In particular, the decline in the share of food-exporting countries was precipitous in the war and early post-war years.

The imprints which the great depression, the war and the post-war dollar shortages have left on the major channels of trade are also evident in the increased concentration of western Europe's imports on the areas with which it has special political or economic

TABLE 7

Changes in the origin of western Europe's imports from overseas

Percentages based on current values

Area of origin	1928	1937-38	1952	1956
Primary exporting countries				
Countries mainly exporting :				
Petroleum	3	6	19	19
Other minerals	7	9	12	13
Agricultural raw materials	42	34	29	28
Food products	48	51	40	40
TOTAL	100	100	100	100
All overseas sources[a]				
United States	31	22	22	27
Canada	9	8	9	7
Latin America	21	19	11	13
Overseas sterling area	25	31	37	33
Affiliated areas	5	10	12	12
Other primary exporting countries	8	8	8	7
TOTAL	100	100	100	100

Sources : Appendix Tables IX and X.

[a] Including Japan.

TABLE 8

Imports into industrial countries from primary exporting countries

Percentage distribution by area of origin, based on current values

Importing area		Exporting area						Total (Millions of dollars)
		Latin America		Overseas sterling area		Affiliated overseas territories	Other primary exporting countries	
		Total	of which Argentina	Total	of which India[a] and Pakistan			
Western Europe	1928	35	19.6	42	15.6	9	14	4.5
	1937–38	28	11.9	45	12.1	15	12	3.9
	1952	17	3.5	53	7.2	18	12	10.2
	1956	21	4.9	50	6.5	18	11	12.2
United States and Canada . .	1928	54	5.3	29	10.1	4	13	2.0
	1937–38	47	7.1	32	8.2	3	18	1.4
	1952	61	2.5	21	5.7	5	13	6.0
	1956	62	2.0	21	4.7	7	10	6.5
Total western Europe, United States and Canada	1928	41	15.5	37	14.0	8	14	6.5
	1937–38	33	10.8	41	11.2	12	14	5.3
	1952	33	3.1	42	6.6	13	12	16.2
	1956	35	3.8	40	5.9	14	11	18.8

Sources : Appendix Table IX.

[a] Including Burma and Ceylon.

links. Thus over these three decades the importance of the western hemisphere, particularly Latin America, as a supplier to western Europe has fallen sharply and that of the overseas sterling area and other affiliated areas has correspondingly increased. Since 1952, however, there seems to have been some reversal of this trend.

The shifts in the origin of western Europe's imports were matched during the inter-war period by similar shifts in the imports of North America, whereas in the early post-war period the development was in the opposite direction. Thus, as can be seen from Table 8, the sharp cut in western Europe's imports from Latin America in this latter period was roughly balanced by a shift of North American imports in favour of this area, while the gains made by the overseas sterling area countries in the western European market were nearly offset by their relative loss in the North American market. In spite of the relatively much larger variations in North America's imports from primary exporting areas during the inter-war and early post-war years, changes in western Europe's demand have been considerably more important in determining the level of these areas' exports. In the case both of Argentina and of India and Pakistan, the marked contraction in their share of total exports from primary exporting to industrialized countries over the last three decades is due much more to shifts in western Europe's demand than to changes in North American demand. Not only is western European demand quantitatively more important to these countries, but western Europe's shift away from these suppliers has been proportionately bigger than has North America's.

The structure by broad commodity groups of United Kingdom and United States imports from primary exporting countries is fairly similar and differs somewhat from that of the rest of western Europe, which is less concentrated on food and more on crude materials and fuels than is the case in these two countries. As can be seen from Table 9, the commodity composition of United States imports from primary exporting countries differs markedly from that of western European imports by the fact that high-income foods, and industrial materials enjoying a relatively rapidly expanding demand, have a heavier weight in North American imports.

Coffee, cocoa and sugar account for one-third and rubber and non-ferrous metals for one-fourth of United States imports from primary exporters, whereas the corresponding proportions for western European imports are 13 per cent for both groups of commodities. Textile fibres, on the other hand, which account for 15 per cent of western Europe's imports, represent no more than 5 per cent of those of the United States. Imports by the United States from primary exporters are quantitatively much less important than those of western Europe; in 1956, the United States' share in the imports of the two areas combined was less than one-third, and among the commodities

TABLE 9

Commodity composition of imports from primary exporting countries in 1956

Commodity group	Percentage distribution by commodity			Percentage share in total imports into OEEC countries and the United States		
	Importing country			Importing country		
	United Kingdom	Other OEEC countries [a]	United States	United Kingdom	Other OEEC countries [a]	United States
Food, drink and tobacco	40.8	30.5	39.8	30	36	34
of which : Meat	8.8	1.2	0.7	76	17	7
Grain	2.7	5.5	—	23	77	—
Sugar	5.5	1.5	7.6	32	15	53
Coffee, cocoa and tea	7.9	11.1	26.8	14	31	55
Tobacco	1.7	3.4	0.6	22	70	8
Raw materials	29.0	35.4	25.2	25	50	25
of which : Oilseeds	2.6	4.6	0.7	24	68	8
Rubber	4.1	3.5	6.4	24	33	43
Wool	8.6	8.1	3.9	33	50	17
Cotton	3.4	6.0	0.4	25	71	4
Other vegetable fibres	1.0	1.5	0.9	22	55	23
Non-ferrous metal ores and scrap	2.0	3.6	6.4	13	38	49
Fuel	16.0	22.3	18.4	22	49	29
Fats and oils	2.6	2.8	1.1	31	54	15
Other	11.6	9.0	15.5	26	33	41
of which : Textile yarns and made-up articles	1.6	0.4	1.6	39	13	48
Non-ferrous metals	6.4	5.6	7.9	26	37	37
TOTAL	100	100	100	26	43	31

Sources : OEEC Statistical Bulletins, Foreign Trade, Series IV.

[a] Excluding Switzerland.

listed in Table 9 United States demand predominates only for sugar and coffee.

Western Europe takes about one-half of its imports from overseas, and about one-third from primary exporting countries. About three-quarters of all imports of food, raw materials and fuel come from these countries and a considerably lower share of imports of manufactures, which come largely from the United States. As can be seen from Table 10, the overseas sterling area is the most important source of western Europe's imports of food, as well as of raw materials and fuel, to which non-specified primary exporting countries also make an important contribution. Non-dollar Latin America and affiliated areas of continental European countries are relatively more important as suppliers of food than as sources of crude materials and fuels.

These differences are reflected to some extent in the commodity pattern of the individual areas' exports to western Europe. It can be seen from Table 10 that food predominates in the exports of non-dollar Latin America and of the affiliated areas, whereas exports by non-specified primary exporters and the overseas sterling area are concentrated to a much larger extent on crude materials and fuels.

Differences in the structure of exports when classified in these large commodity groups are, however, of limited significance, since the commodity composition within these groups varies a great deal among the different areas. For example, commodities such as coffee, cocoa, fruit and vegetables and tobacco, consumption of which tends to increase relatively rapidly with improvements in consumers' incomes, account for three-quarters and two-thirds respectively of total food exports to western Europe by affiliated areas and dollar Latin America, while they provide less than 40 per cent of such exports from the overseas sterling area and non-dollar Latin America.

Furthermore, it should be noted that the large areas considered in Table 8 include countries with widely differing commodity structures of exports; and these differences are particularly striking among the countries of the overseas sterling area. The dependent sterling area's exports are highly concentrated on commodities such as petroleum, rubber, coffee and cocoa,[19] these four alone accounting for more than 60 per cent of total exports. The Union of South Africa also has a favourable commodity pattern of exports, and in the case of other independent sterling-area territories in Africa, metals — mainly

---

[19] Ghana, by far the most important source of western Europe's cocoa, is, for statistical reasons, included with dependent sterling territories in the tables.

TABLE 10

Imports into nine western European countries [a] from overseas in 1956

Area of origin	Percentage of total imports from overseas					Percentage of total imports from individual areas				
	Food [b]	Raw materials [c]	Fuel	Other	Total	Food [b]	Raw materials [c]	Fuel	Other	Total
United States and Canada	26	24	25	62	31	27	25	14	34	100
Dollar Latin America	6	4	10	1	5	38	23	34	5	100
Non-dollar Latin America	15	7	—	6	8	58	29	—	13	100
Overseas sterling area	33	41	43	19	34	31	37	23	9	100
Other affiliated areas	15	12	6	9	12	43	34	9	14	100
Other primary exporting countries	5	12	16	3	10	16	46	33	5	100
Total primary exporting countries	74	76	75	38	69	35	35	20	10	100
Of which : Semi-industrialized	32	26	—	10	20	50	41	—	9	100
Non-industrialized	42	50	75	28	49	28	33	28	11	100
Total overseas [d]	100	100	100	100	100	32	32	18	18	100

Source : Appendix Table XII.

[a] United Kingdom, France, western Germany, Belgium-Luxembourg, the Netherlands, Italy, Sweden, Denmark and Norway.

[b] SITC sections 0 and 1.

[c] SITC sections 2 and 4.

[d] Including Japan.

copper — and coffee together make up more than three-quarters of total exports to western Europe. The commodity pattern of exports of independent sterling-area territories in the Far East contrasts sharply with that of the areas just mentioned. Petroleum is non-existent and metals are not important. The commodities predominating in the exports of these countries are generally industrial materials, such as jute, which have suffered particularly from the development of substitutes, and foods such as tea which are not greatly affected by improvements in consumers' incomes in industrialized countries.

The shifts in the origin of western Europe's imports illustrated by the data in Table 8 reflect partly differences in the commodity composition of exports from the different areas, which made them benefit or suffer to a varying extent from the development of the pattern of western European demand and from the movements in commodity prices over the period covered. But, in some degree, the shifts which have occurred over the last three decades also reflect rises or falls in the shares of particular areas in western European imports of specific commodities. Some of the more important of these latter shifts are illustrated by the data in Table 11. The commodities listed in this table accounted for some 60 per cent of western Europe's total imports from primary exporting countries in 1956.

The declining importance of Latin America as a source of western Europe's imports is reflected in the falling share of non-dollar Latin America in the imports of all the commodities listed other than cotton and wool; but central American exports were better maintained, and exports of coffee rose significantly. The post-war decline in Latin American exports was due largely to the contraction in shipments from Argentina. This was particularly marked in 1952, when harvest failure reduced sharply the export availabilities of a number of agricultural products in Argentina, and the subsequent change in price policies towards agriculture and the introduction of a more favourable foreign exchange rate have been the main factors in the recovery of agricultural output and the expansion of Argentina's exports to western Europe in recent years. Elsewhere in Latin America important progress has been made in raising exports of cocoa, cotton and copper to western Europe.

Shrinking supplies from Latin America during the inter-war and early post-war period were to some extent offset by expanding exports from Oceania and from dependent overseas territories of the United Kingdom and of other western European countries. The importance of these areas as a source of western European imports increased sharply for all the commodities listed in Table 11 other than grain, meat and wool. The relative expansion of the exports of the overseas sterling area during the inter-war and early post-war period was due very largely to this increase in shipments from dependent sterling-area territories, where production was fostered by special contracts and preferential treatment of imports extended by the United Kingdom. The sharp rise in exports by the petroleum-producing countries in the Middle East is also a factor of major importance in the expansion of total sterling area exports. The development of exports from independent sterling

TABLE 11

Imports into selected western European countries [a] by areas of origin

Percentage distribution by area of origin and millions of dollars at constant prices

Area of origin	Commodity												Millions of dollars at 1952 prices, c.i.f.			
	Wheat 1	Maize 2	Sugar 3	Oilseeds, fats and oils 4	Beef 5	Coffee 6	Cocoa 7	Tobacco 8	Cotton 9	Wool 10	Crude petroleum 11	Copper 12	Total 1-5	Total 6-10	Total 11-12	Total 1-12
Western Europe																
1925–28	2	1	14	12	—	4	2	11	2	12	—	..	248	226	—	474
1934–38	5	3	4	14	—	..	1	11	1	6	—	..	268	132	—	400
1952	4	17	10	13	13	2	6	17	7	15	—	25	281	327	184	792
1956	9.	3	6	11	3	2	10	18	8	17	1	25	296	473	254	1 027
Eastern Europe																
1925–28	5	12	18	1	—	—	..	2	—	1	..	..	210	16	—	226
1934–38	17	6	5	1	—	—	..	4	—	—	..	..	225	19	—	244
1952	7	10	4	—	—	—	—	—	—	—	—	—	118	4	4	126
1956	—	6	—	—	—	—	—	1	3	1	—	—	39	51	9	99
Dollar area																
1925–28	57	3	38	8	—	24	6	47	60	—	11	60	980	1 464	222	2 666
1934–38	35	10	37	4	—	33	3	48	37	—	60	31	571	980	249	1 800
1952	80	42	50	12	15	15	4	45	46	—	6	20	1 191	782	259	2 232
1956	69	44	30	28	—	29	4	49	41	1	13	16	1 446	1 010	503	2 959
Non-dollar Latin America																
1925–28	21	66	7	14	100	48	8	3	3	16	..	16	1 028	520	58	1 606
1934–38	20	64	8	6	93	41	5	3	12	17	4	15	866	662	99	1 627
1952	—	20	—	5	52	39	5	3	6	7	—	7	151	361	56	568
1956	11	20	1	2	56	28	11	2	10	10	—	15	333	522	145	1 000
Overseas sterling area																
1925–28	11	3	14	31	—	3	62	4	11	64	..	4	614	993	1	1 608
1934–38	15	3	34	36	7	2	64	7	14	70	..	14	766	1 202	97	2 065
1952	7	6	26	39	20	10	58	25	12	78	68	27	635	1 245	1 432	3 312
1956	8	20	50	29	40	12	49	20	10	68	61	26	904	1 414	1 677	4 195
Other affiliated areas																
1925–28	3	1	6	12	—	1	13	2	—	2	8	19	215	64	45	324
1934–38	6	11	9	18	—	13	18	3	2	—	19	18	401	168	138	707
1952	2	2	8	19	—	30	27	4	6	—	2	18	263	289	166	718
1956	3	6	12	19	—	25	26	4	6	1	2	18	396	346	214	956
Other																
1925–28	1	14	3	22	—	20	9	31	24	5	..	..	410	738	88	1 236
1934–38	3	3	3	21	—	8	9	24	34	7	..	..	315	758	83	1 156
1952	—	3	2	12	—	4	—	6	23	—	24	3	151	331	472	954
1956	—	1	1	11	1	4	—	6	22	2	23	1	168	398	627	1 193
TOTAL	*Millions of dollars at 1952 prices, c.i.f.*															
1925–28	1 240	585	397	1 309	174	556	205	401	1 870	989	54	360	3 705	4 021	414	8 140
1934–38	869	688	379	1 317	159	625	255	395	1 539	1 107	89	577	3 412	3 021	666	7 999
1952	883	310	456	1 093	48	449	239	284	1 271	1 096	1 831	742	2 790	3 339	2 573	8 702
1956	1 037	428	491	1 465	161	615	296	374	1 498	1 431	2 681	952	3 582	4 214	3 633	11 429

Sources : National statistics.

NOTE. — Because of the less complete breakdown by area of origin given in pre-war trade statistics, the comparability between pre-war and post-war data is not perfect.

[a] The data relate to the United Kingdom, France, western Germany (pre-war whole of Germany), Italy, Belgium-Luxembourg, the Netherlands and Switzerland, with the following exceptions: beef, United Kingdom only; crude petroleum, United Kingdom, western Germany and Belgium-Luxembourg; copper, United Kingdom, western Germany, Italy, Belgium-Luxembourg and Sweden.

countries in the Far East is in sharp contrast. Exports from these countries declined, not only because of an unfavourable commodity structure, but also because production failed to increase in step with domestic consumption or, in the case of some commodities, actually fell. For example, the impact of a sharp contraction in India's shipments of groundnuts and groundnut oil on western European imports of vegetable oils was particularly marked in the post-war years.

Dependence on Dollar Imports

The last war sharply reversed the tendency towards a shift away from dollar sources which characterized western Europe's imports in the inter-war period. Heavy imports of primary products were made from North America, and in particular from the United States, and the share of this area in western European imports of a number of important foods and raw materials — such as grain, tobacco, fats and oils and metals — was substantially higher in the early post-war years than during the inter-war period. This increased dependence on United States supplies, which sprang largely from the falling away of traditional suppliers in eastern Europe, Latin America and the Far East during the war, was checked somewhat by the fostering of production in overseas affiliated territories. The efforts of metropolitan countries concentrated particularly on encouraging the production of dollar commodities. Thus in these territories the output of grain (other than rice), coffee, sugar, tobacco, cotton, copper, lead and zinc rose by 60 per cent above the pre-war level by 1952, while production of other basic commodities expanded by 10 per cent only over the same period.

There has been no marked general tendency towards a further reduction in the degree of western Europe's dependence on dollar supplies during recent years. It can be seen from Table 12 that the slowness of the expansion of imports from North America is entirely due to manufactured goods, for which group intra-European trade showed a very considerable expansion reflecting both liberalization within the OEEC area and, possibly, improvements in the competitive position of western European industry.

TABLE 12

Distribution of imports into nine western European countries[a] by area of origin

Percentages based on values at 1956 prices

Area of origin	Year	Food[b]	Raw materials[c]	Fuel	Other	Total
Western Europe .	1952	30	29	24	68	42
	1956	31	31	28	72	45
United States . .	1952	11	9	17	22	13
	1956	12	11	17	12	12
Other	1952	59	62	59	10	45
	1956	57	58	55	16	43
TOTAL . .		100	100	100	100	100

Source : Appendix Table XII.

[a] See Table 10. [b] SITC sections 0 and 1. [c] SITC sections 2 and 4.

The increase in the dollar import share of the food group, on the other hand, is in part a result of United States Government surplus disposal operations, which were greatly intensified in 1956; exports of agricultural products from the United States rose by 30 per cent in that year, largely in consequence of measures which included new or supplementary agreements with 25 countries for sales in local currencies. These arrangements benefit mainly non-industrialized countries, but also involve important shipments of liquid edible oils, grains and cotton into some western European countries. Moreover, western European imports of wheat and fats and oils were exceptionally heavy in 1956 as a result of frost damage to crops in France and the Mediterranean countries. In years when harvest failures in western Europe cause a sudden large increase in import requirements the share supplied by the United States, which with its heavy stocks has a highly flexible supply, will normally rise sharply.[20]

Whereas the data in Table 12 indicate a tendency towards an increase rather than a decrease in the degree of western Europe's dependence on dollar supplies of all foods and raw materials taken together, there has nevertheless been some replacement of dollar imports of a number of important commodities. Thus Table 11 shows that the recovery in Latin American exports, while most heavily affecting western European imports of commodities obtained largely from other non-dollar sources,[21] has facilitated a shift away from dollar supplies of wheat, cotton and copper. There was also a reduction in the share of dollar imports of sugar, which was made possible by a marked expansion of production in western Europe's overseas affiliated territories.

---

[20] Thus, whereas North America supplied about 55 per cent of the annual average import of 10.3 million tons of wheat into OEEC countries during the period 1953 to 1955, it provided more than 70 per cent of the 13 million tons imported in 1956.

[21] In meat, and also in dairy products, hides and skins, the fall in supplies from traditional sources after the war (pre-war trade in these commodities concerned largely United Kingdom imports from Argentina and Oceania) was not compensated, or to a limited extent only, by higher imports from the United States. This was because of dollar shortages in western Europe, rather than because of inadequacy of supplies in the latter area. In 1952 the United Kingdom did, however, import some 15 per cent of its beef from the United States; the subsequent recovery of Argentina's exports has done away with these imports.

4. WESTERN EUROPE'S EXPORTS TO PRIMARY EXPORTING COUNTRIES

The Importance to Western Europe of Markets in Primary Exporting Areas

An impression of the importance to the western European economy and to individual western European countries of exports to primary exporting areas may be obtained from Table 13. In 1956, one-third of the exports of the countries listed went to primary exporting countries. The concentration on these markets was very much higher for the United Kingdom and France than for the others, owing mainly to the intensive trade of these two countries with affiliated overseas areas, and in particular to the relatively large exports from the United Kingdom to the semi-industrial countries of the overseas sterling area.

TABLE 13

Share of primary exporting countries in total exports of western European countries in 1956

Percentages [a]

Exporting countries	Exports to primary exporting countries	Of which: To semi-industrialized countries	Of which: To non-industrialized countries
United Kingdom	54	18	36
France	45	3	42
Western Germany	24	6	18
Italy	29	6	23
Belgium-Luxembourg	20	3	17
Netherlands	22	3	19
Sweden	18	8	10
Denmark	11	3	8
Norway	17	6	11
TOTAL	33	8	25

Sources : Derived from Appendix Table XI.

[a] Based on values at 1950 prices.

The share in western European exports of various capital goods, which together make up 45 per cent of total exports to primary exporting areas, ranges from about 40 to 70 per cent of the total exports of all but one of these items (see Table 14). However, from the point of view of the western European economy the part played by exports to primary exporting countries in western European output is more relevant than the share of total exports taken by these countries. Though these exports were small in relation to western Europe's combined gross national product and even in relation to investment — the part of domestic expenditure which fluctuates most — they nevertheless accounted for a considerable share of output in important industrial sectors. From rough calculations based on material presented in Chapter III, it appears that about 10 per cent of the whole of manufacturing output was exported to primary exporting countries. For chemicals and metal manufactures the share was more than 15 per cent, and for textiles about 10 per cent. Thus, fluctuations in exports to primary exporting countries may affect activity in western European industry to a significant extent. This is true in particular of the United Kingdom which sends more than half of its exports to the primary exporters.[22]

It would appear that the rapid rise since before the war in exports of metal manufactures to primary exporters has contributed to an important extent to the growth of that industry in western Europe. Inasmuch as imports of capital goods into primary exporting countries have exhibited wider fluctuations than their total imports, the increased share of those imports will have tended to make the western European economy more sensitive to variations in the level of activity in primary exporting countries. This increase in sensitivity could not, however, be anything but moderate.

TABLE 14

Share of primary exporting countries in capital goods exports of western Europe and the United States in 1956

Percentages [a]

A—Including intra-western European trade
B—Overseas trade only

Commodity group	Western Europe A	Western Europe B	United States
Power-generating machinery	48	91	43
Agricultural machinery	27	89	37
Metal-working, mining, construction and other industrial machinery	38	82	42
Electrical machinery	46	88	41
Tractors	46	93	48
Railway vehicles	69	96	78
Road motor vehicles	46	81	56
Other vehicles	41	78	42
Chemicals	40	82	45

Sources: Derived from Appendix Table XI.

[a] Based on values at 1950 prices.

---

[22] However, trade between the United Kingdom and the rest of the sterling area has, in general, fluctuated less than total world trade.

The General Level and the Commodity Structure of Imports into Primary Exporting Countries

The import behaviour of primary exporting countries, both as to total volume and commodity composition, is determined by the interaction of a number of factors which are to some extent specific to them and which will be illustrated below. The two major factors are: first, the level and the fluctuations of their capacity to import as determined by export earnings, receipts on capital account and — in the shorter run — by the size of gold and foreign exchange reserves; and, second, the intensified efforts in many of the non-industrial countries to promote the development of their economies. The latter factor has produced a pressure of demand against available resources involving many of these countries in recurrent balance-of-payments difficulties as the growth of investment expenditure, and the consequent general rise in incomes, swelled the demand for imports of both capital goods and consumers' goods independently of the course of exports.

The stringency with which any country has applied import controls, and the extent to which these were selective as between categories of imports, have been connected both with the variations in its capacity to import and with the stage and rate of economic development achieved. Countries committed to a policy of economic development, and which were in a tight balance-of-payments position, have experienced, on the whole, a more marked shift towards imports of capital goods than countries which could afford to increase their imports of investment goods at the same time as those of consumers' goods.[23] The preference generally given to the intensification of import and exchange controls as an alternative to contractionary monetary policies, and the frequent discrimination against imports of consumers' goods, has sometimes resulted paradoxically in an increase in inflationary pressure following on a decline in export receipts. In countries dependent on food imports, such as India, these imports had to be given first priority at various times and absorbed a large proportion of limited export proceeds, so that not much room was left for raising imports of investment goods.

The commodity composition of imports further depended on the pattern of investment adopted by a country. Investment concentrated on manufacturing industries or public utilities has a very high import content in non-industrial countries, since all or most of the equipment has to be imported. On the other hand, investment primarily directed at the expansion of construction and agriculture requires much smaller imports of investment goods, but affects imports indirectly through the induced rise in consumers' incomes and spending.

In some semi-industrial countries the notable expansion in the domestic output of import-substituting consumers' goods since before the war has been accompanied by a sharp rise in imports of raw materials and fuel required to maintain domestic production and employment. Where, as in Latin America in recent years, consumption has risen in relation to investment, imports of finished consumers' goods have not declined correspondingly, and sometimes not at all. In some countries, a rapid rise in incomes and the concentration of this rise in the higher income groups has raised imports of consumers' goods relatively to total imports.

The divergent long-term rates of expansion of imports into different groups of primary exporting countries, together with the changes in their trade balances, have already been described in section 2. It was pointed out that there was a deterioration in the trade balances of the two groups of countries exporting primarily agricultural raw materials and food since they had raised their imports much more rapidly than their exports. That this trend could not continue indefinitely is brought out by Chart 2, which shows that in more recent years both the purchasing power of the exports and the volume of the imports of these countries from the major industrial suppliers have risen only very slightly. Among them, Brazil, Indonesia and Egypt have even registered declines in their imports,[24] all these countries having applied severe import restrictions to reduce balance-of-payments strains. Imports from industrial countries into India, on the other hand, continued to increase in spite of a decline in export receipts, until the recent balance-of-payments crisis made it necessary for that country to intensify its import restrictions.

The recent deterioration in the terms of trade of a number of primary exporting countries, after a period of high world demand and high prices for their products, has intensified the balance-of-payments difficulties which they encounter in their efforts to promote domestic economic growth.[25] The balance-of-payments strains in countries whose export receipts, together with other means of financing imports, have lagged behind the rise in imports have led to the running down of gold and foreign exchange reserves and to the adoption or reinforcement of import controls. The tightening of import restrictions resulted in a decline of imports into non-dollar Latin American

---

[23] See "A Study of Trade between Latin America and Europe", United Nations, 1953, which gives a comparison between the import structure of Latin American countries in 1928 and 1950-51.

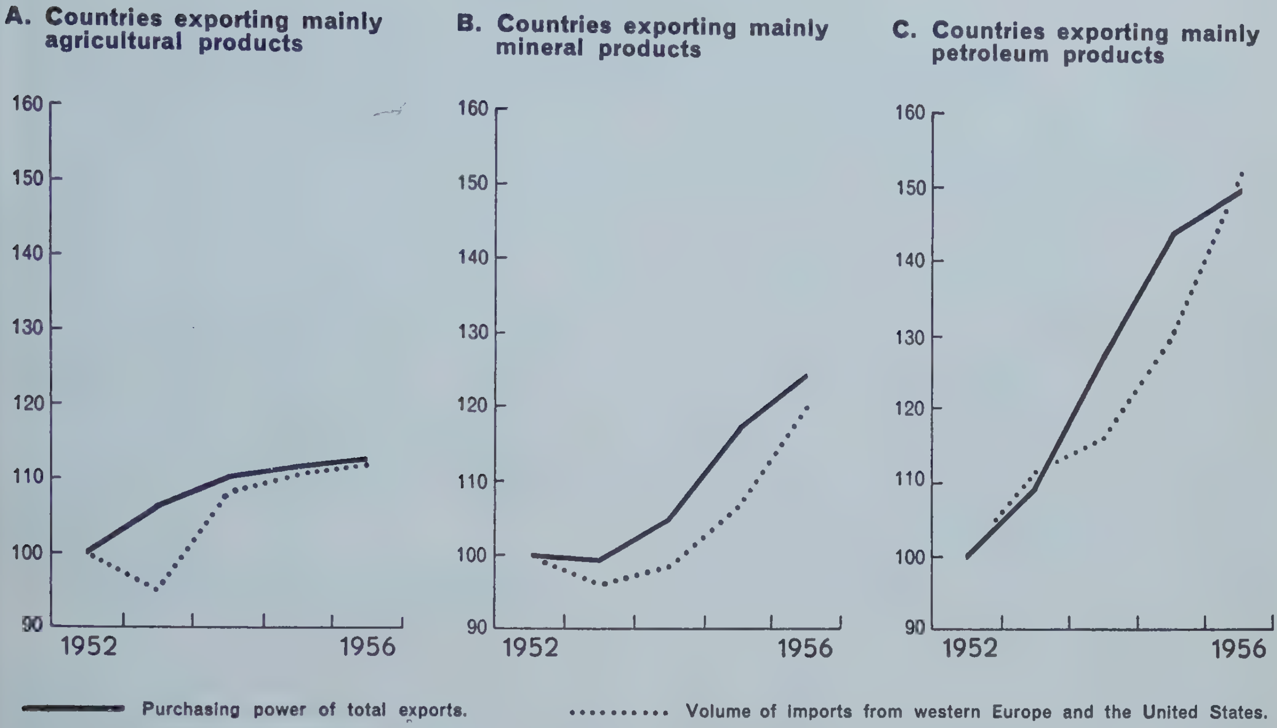
[24] Imports into Indonesia were exceptionally high in 1952.

[25] See Chapter 3 of the *World Economic Survey, 1956*, for a detailed discussion of the balance-of-payments experience of primary exporting countries in the post-war period and the interaction of changes in export receipts, the capacity to import and industrial development.

CHART 2

Purchasing power [a] of exports of primary exporting countries

Index numbers, 1952 = 100



Sources and methods : See Appendix B.

[a] Value of exports deflated by estimated import prices.

countries and a relatively moderate increase of imports into Australia and New Zealand. Some non-industrial countries — notably Egypt, India, Pakistan, and Burma — have also got into balance-of-payments difficulties in recent years. However, the volume of imports into non-industrial countries from the major western European countries [26] and the United States rose by 23 per cent between 1952 and 1956, whereas these imports into semi-industrial countries as a group were only just about maintained.[27]

There were very marked shifts in the commodity composition of imports into primary exporting countries from industrial countries between the immediate pre-war years and 1956 (see Table 15). The two most outstanding changes were the rise in the share of capital goods — machinery, transport equipment and chemicals [28] — and the relative (and from

TABLE 15

Commodity composition of imports into primary exporting countries from western Europe and the United States

Percentages [a]

Commodity group	1938	1952	1956
Food, drink and tobacco	9	14	13
Raw materials and fuel	23	21	21
Machinery	16	21	20
Transport equipment	10	12	14
Chemicals	6	8	11
Textiles	20	13	10
Other commodities	16	11	11
All commodities	100	100	100

Sources and methods : See Appendix B.

NOTE. — Figures for 1938 are not fully comparable with those for post-war years owing to some differences in country coverage and commodity grouping and different bases of prices, as well as to the large amount of unspecified items included in the group " other commodities ".

[a] Based on values at 1948 prices for 1938, and on values at 1950 prices for 1952 and 1956.

---

[26] The nine western European countries whose exports are shown in Appendix Table XI, and in the derived tables included in this section, account for about 80 per cent of western Europe's exports to primary exporting countries.

[27] For changes in the volume of imports into individual primary exporting regions, see Table 16.

[28] However, roughly 35 per cent of chemicals exported by OEEC countries to primary exporting areas consisted of consumers' goods in 1956.

TABLE 16

Commodity composition and volume of imports into primary exporting countries from western Europe and the United States

Percentages based on values at 1950 prices

Importing area	Year	Commodity group							All commodities	Total (Million dollars at 1950 prices)	Volume index 1952=100
		Food, drink and tobacco	Raw materials and fuel	Machinery	Transport equipment	Chemicals	Textiles	Other commodities			
Dollar Latin America . .	1952	15	19	21	13	10	10	12	100	2 353	100
	1956	12	21	23	15	12	6	11	100	3 004	128
Non-dollar Latin America	1952	11	21	32	16	9	4	7	100	1 688	100
	1956	7	25	27	16	14	4	7	100	1 377	82
Semi-industrialized sterling area	1952	4	22	27	14	6	16	11	100	1 666	100
	1956	4	17	23	17	9	18	12	100	1 913	115
Other sterling area	1952	16	23	18	10	9	14	10	100	2 705	100
	1956	15	20	19	14	11	9	12	100	3 434	127
Affiliated overseas territories	1952	15	23	16	11	7	14	14	100	1 778	100
	1956	20	23	12	10	8	13	14	100	2 037	115
Other primary exporting countries	1952	17	20	15	11	9	16	12	100	2 097	100
	1956	16	20	18	13	12	10	11	100	2 574	123

Sources and methods : See Appendix B.

1952 to 1956 even absolute) fall in textile imports. Both of these changes continued a long-term trend,[29] and they have been common, in varying degree, to all regions shown separately in Appendix Table XI. For all primary exporting countries taken together, imports of capital goods now account for about 45 per cent of their total imports from industrial areas, as against 32 per cent in 1938, and in terms of volume such imports have probably more than tripled since before the war.

The textile industry is typically among the first to be established in less developed countries and also the one where, with the help of tariff protection and import controls, the process of import substitution has gone farthest. However, part of the recent decline in the share of textiles in imports from western Europe and the United States was due to the return of Japan as an important textile exporter and the emergence of India as a net exporter in post-war years. Similarly, there was a decline in the importance of imports of the group " other commodities ", which includes manufactured consumers' goods other than textiles; and this was largely the result of selective import restrictions, which were introduced by many countries after the war both on balance-of-payments grounds and in order to assist the establishment or expansion of domestic production of such goods.

The dependence on food imports from industrial countries, and particularly from the United States, has increased in most areas since before the war. This has been due to the failure of agricultural output, even where it increased substantially, to keep pace with the growth of population and with the rise in incomes. In some countries — as, for instance, Pakistan and Indonesia — agricultural production failed to expand significantly.

The share of raw materials and fuel in total imports from industrial countries has declined for primary exporting regions considered as a whole. This is not, however, to be taken as an indication that total raw material and fuel requirements have risen less rapidly than those for other commodity groups, but rather that such imports are increasingly obtained through trade among primary exporting countries.

The different patterns of imports into the major primary exporting areas in recent years can be seen from Table 16, which gives more reliable figures for the years 1952 and 1956 than could be provided to illustrate the long-term changes. Though the mainly geographical classification is without direct economic relevance, it is broadly true that in the first three groups of countries listed in the table, semi-industrial countries predominate, whereas most countries in the last three groups may be considered non-industrial. This difference in economic structure is not very clearly reflected in the table. It is worth noting, however, that both in Latin America and in the semi-industrial sterling area,[30] the share of capital goods in total imports has been higher than in any of the other three country groups. In non-dollar Latin America,[31] consisting largely of semi-industrial countries, there has been a decline in the share of food imports from industrial countries in recent years, owing either to the expansion of domestic food production or to more rapid increases of imports from other sources. In this region the share of this commodity group is among the lowest of any of the primary exporting areas shown. The proportion of imports of raw materials and fuel in total imports of non-dollar Latin American countries has risen very sharply, even when only imports from western Europe and the United States are taken into account. On the other hand, the share of machinery imports has declined and these imports have also fallen in absolute volume.

---

[29] See *Growth and Stagnation in the European Economy*, ECE, Geneva, 1954, Chapter IX.

The changes in the import structure of the most important among this group of countries are better brought out by a brief reference to their imports from all sources.

Percentage change in the volume of imports by major categories between 1948-1950 and 1954-1955

	Brazil	*Chile*	*Argentina*	*Total Latin America*
Consumers' goods[a]	+23	+38	−43	+17
Capital goods[a]	+8	+5	−46	
Raw materials and intermediate goods[b]	+74	+27	—	+38
Total imports	+35	+23	−22	+25

Source : Economic Survey of Latin America, 1956.

[a] Finished products only.

[b] Including raw foodstuffs.

The growth of domestic consumers' goods industries has resulted in an increase in raw material and intermediate goods imports, particularly fuel, required for manufacturing production.[32] This increase has been greater in Brazil and Chile than the rise in imports of capital goods, and in Argentina raw material imports were maintained whereas there was a drastic fall in imports of capital goods. On the other hand, imports of consumers' goods, other than textiles, continued to rise in the former two countries. This rise occurred despite the large expansion of domestic output of import-substituting consumers' goods, particularly in Brazil, where there has been also a rapid rise in the production of such durable consumers' goods as refrigerators and wireless sets. In Argentina, the decline in consumers' goods imports was somewhat smaller than that in imports of capital goods.

If imports of raw materials and intermediate goods are allocated according to their utilization between consumers' goods and capital goods, it appears that the share going into the production of consumers' goods was very much the larger of the two and that, under this broader definition, imports for consumption also rose much more rapidly than imports for investment.[33] This is a reflection of the more rapid growth of consumption than of investment in the major Latin American countries in recent years. In addition, however, in countries which were in a precarious balance-of-payments position, the high priority given to imports of raw materials, fuel and intermediate goods in order to maintain output and employment in manufacturing industry set limits to the possible increase in imports of capital goods for development. In Argentina, the decline in capital goods imports imposed by the scarcity of foreign exchange resources was such as seriously to hamper the development process.

It is interesting to mention by contrast that Venezuela, a petroleum-exporting country with no problem of competing claims on scarce foreign exchange resources, recorded in the period from 1948-50 to 1954-55 a rise in the total volume of imports by 27 per cent, made up of a 50 per cent increase in imports of raw materials and intermediate goods, a rise of capital goods imports by 25 per cent and of finished consumers' goods by 14 per cent. The relatively smaller increase in the imports of finished consumers' goods reflects substitution of home production for imports of a number of items in the food group, of textiles and of some durable consumers' goods.

The commodity structure of imports into the semi-industrial countries in the overseas sterling area is characteristic of countries which have reached a relatively high stage of industrial development. Imports of capital goods constitute a high proportion of total imports from industrial areas, but machinery imports have not risen in recent years, as credit restrictions to combat inflationary pressure have affected investment in those countries. Imports of textiles make up a higher share of imports than in any other area and have risen recently, as have imports of other consumers' goods. The composition of these imports is typical of high-income consumption patterns.

The remaining countries of the sterling area and the "other primary exporting countries" are too heterogeneous for any general interpretation of their

---

[30] Australia, New Zealand and the Union of South Africa.

[31] The more extensive treatment of Latin America than of other areas is justified by a number of considerations: in the first place, the import pattern of that region may suggest what the future pattern of the now non-industrial countries might well become. In the second place, this market, which now absorbs about one-fifth of western Europe's exports to primary exporting areas, is likely to expand rapidly in future and within that total expansion there might be scope for western Europe to regain part of its former position.

[32] For Latin America as a whole, raw material imports have risen from 37 to 41 per cent of total imports.

[33] See *Economic Survey of Latin America*, 1956.

TABLE 17

Share of western Europe and the United States in total imports of primary exporting countries

Percentages [a]

Exporting area	Western Europe				United States				Western Europe and the United States combined			
Year / Importing area	Latin America	Overseas sterling area	Other affiliated areas	Other overseas countries	Latin America	Overseas sterling area	Other affiliated areas	Other overseas countries	Latin America	Overseas sterling area	Other affiliated areas	Other overseas countries
1928	42	50	74	33	36	12	6	9	78	62	80	42
1937–38	47	46	54	44	36	10	11	14	82	57	65	57
1952	28	47	61	40	52	12	9	25	79	59	70	65
1956	28	48	61	33	51	11	8	25	79	59	68	58

Source : Appendix Table IX.

[a] Based on current values.

import structure to have any meaning. It may be more helpful to select one among those countries to illustrate some of the factors which have determined changes in the commodity composition of their imports. India is a country mainly exporting cotton and jute textiles, tea, other foods and agricultural raw materials for which the demand has remained comparatively stagnant in the post-war period. The great dependence on imports of food and raw cotton in the earlier post-war years made it impossible to divert a higher proportion of scarce foreign exchange proceeds to imports of capital goods. It was only after the bumper harvest of 1953/54 that food and raw cotton imports could be sufficiently curtailed to make room for a substantial expansion of capital goods imports. The serious deterioration in India's balance-of-payments position in 1957 was to a large extent the direct consequence of consumers' goods imports rising more than was foreseen.

The commodity structure of the other affiliated overseas territories continues to be that typical for countries at early stages of industrial development. It is striking that this was the only area where there was a sharp rise in the share of food imports, accounted for by agricultural production's lagging behind increases in incomes. The share of capital goods was the lowest and declined further in recent years — a counterpart to the shift towards food imports — whereas consumers' goods other than textiles absorb a larger proportion of import expenditure than in any other region.

The Position of Western European Exports in Primary Exporting Areas

The relative dependence of primary exporting areas on western European and United States supplies has undergone substantial changes between the inter-war period and 1956. As Table 17 shows, there has been a large shift away from western Europe and towards the United States in the imports of Latin America. For the other areas, the shifts were smaller, and in the group " other affiliated aveas " western Europe has more than recaptured its 1937-38 position. The changes of the combined share of the two industrial areas in the imports of some of the primary exporting areas are a reflection of an increase in trade with other primary exporting countries and of the emergence or re-emergence of Japan as a supplier of those markets.

In recent years, western European exports have advanced in all areas in relation to those of the United States except in the group of " other overseas countries ".[35] As can be seen from Table 18, the improved position of western Europe was reflected in all but one of the commodity groups and, within the machinery group, western Europe supplied a larger share of almost all items in 1956 than in 1952.[36]

An explanation of these changes cannot, of course, be given purely in terms of competitive factors, even if it were possible to compute satisfactory price indices for individual items of manufactured exports or to assess the effect of such non-price factors as delivery times, credit facilities, tied loans and marketing efficiency. It has been shown [37] that changes in unit values and volumes of exports of manufactures from industrial western European countries and the United States did not show a high degree of correlation

---

[34] The share of Japan in Latin American imports was higher in 1956 than before the war.

[35] The major increases of United States exports to that region were to Korea, Formosa, the Philippines and Iran, which must be ascribed to special rather than to competitive factors.

[36] See Appendix Table XI for details on the machinery group.

[37] See J. M. Fleming and S. C. Tsiang: " Changes in Competitive Strength and Export Shares of Major Industrial Countries ", *International Monetary Fund, Staff Papers*, August 1956.

TABLE 18

Commodity composition of exports from western Europe and the United States to primary exporting countries, and the share of western Europe in those exports

Percentages [a]

Commodity group	Western Europe			United States			Share of western Europe		Volume index of exports from western Europe
	1938	1952	1956	1938	1952	1956	1952	1956	1956 *(1952=100)*
Food, drink and tobacco	7	10	10	13	19	18	44	50	124
Raw materials and fuel	22	22	21	27	21	21	61	63	116
Machinery	13	20	20	23	22	21	58	61	119
Transport equipment	8	12	14	15	12	14	60	62	135
Chemicals	7	8	11	5	8	10	60	65	162
Textiles	25	16	12	5	9	6	73	74	93
Other commodities	18	12	12	12	9	10	65	65	125
All commodities	100	100	100	100	100	100	60	62	121

Sources and methods: See Appendix B.

NOTE. — Figures for 1938 are not fully comparable with those for post-war years owing to some differences in country coverage, commodity grouping and different price bases, as well as to the large amount of unspecified items which are included in the group " Other commodities ".

[a] Based on values at 1948 prices for 1938, and on values at 1950 prices for 1952 and 1956.

in the post-war period. This was only to be expected, as there has been considerable interference with competition in export markets during that period, as also before the war. Before the war, discriminatory policies and special financial arrangements already limited the influence of purely commercial considerations in the choice of suppliers by overseas primary exporting countries. Even though, since the war, some of these measures favouring metropolitan countries have been abolished together with political dependence, the continuation of currency affiliations and of discrimination against dollar imports — as well as long-established trade ties — all contributed to maintain a high degree of concentration of trade on the former mother country.[38]

Moreover, apart from the effect on export shares of what are usually termed competitive factors, there remains to be considered the change in the composition of imports into primary exporting regions which has been described in the preceding section. This change itself affected the relative share of the various supplying areas or countries according to whether their production and export structure was such as to enable them to respond readily to shifts in demand in the primary exporting areas.[39]

Table 18 shows that, among the items for which the demand of those areas was expanding rapidly, the United States started with a great advantage in its export structure in relation to demand for machinery and transport equipment, whereas western Europe had a more favourable position with regard to chemicals. Among the commodities for which the demand in primary exporting areas declined, textiles made up a very much smaller proportion of total United States exports to those areas than was the case for western Europe. Western Europe had therefore to make a much greater adjustment effort than the United States in order to adapt the structure of its exports to changes in demand in primary exporting countries. As a result, however, the export structure of the two industrial regions has become strikingly similar in recent years in the groups of rapidly expanding export commodities — machinery, transport equipment and chemicals — and this development, partly accounted for by the return of western Germany to its former position in world markets, may to some extent explain the recent gains of western Europe on the United States in most areas. At the same time, the share of textiles in total exports to primary exporting regions still remained substantially higher for western Europe than for the United States, despite the sharp decline in that share since 1938.

Another factor which might have affected the relative rates of expansion of western Europe and United States' exports to primary exporting areas was the geographic distribution of those exports and the varying degree of concentration on areas which expanded their imports more or less rapidly. Thus, the

---

[38] The overseas sterling area has shifted its imports away from the United Kingdom and towards continental western Europe in recent years.

[39] See J. M. Fleming and S. C. Tsiang, op. cit.

TABLE 19

Share of individual western European countries in their combined exports to primary exporting countries

Percentages [a]

Country	1937–38	1952	1956
United Kingdom	47	45	43
France	15	24	19
Western Germany	16 [b]	10	15
Italy	8	4	6
Belgium-Luxembourg	5	6	6
Netherlands	5	6	6
Sweden	2	3	3
Denmark	1	1	1
Norway	1	1	1
TOTAL	100	100	100

Source: Direction of International Trade, Statistical Papers, Series T, No. 6, United Nations, New York.

[a] Based on current values.

[b] Includes eastern Germany.

fact that in recent years United States exports to primary exporting areas have expanded more slowly than those of western Europe might be ascribed in part to the greater concentration of United States exports on Latin America — an area which increased its imports at a very much slower rate than did the overseas sterling area, which absorbed a large proportion of western Europe's exports to all primary destinations. However, as already pointed out, western Europe has recently succeeded in raising its share of total exports to Latin America at the expense of the United States in all commodity groups except raw materials.

The relative importance of individual western European countries as suppliers to primary exporting areas is illustrated in Table 19. It shows both the predominant position of the United Kingdom and the decline in that position, as well as in that of France, together with the enormous advance made by western Germany in recent years. Among the remaining countries, the share of Italian exports declined very markedly between 1938 and 1952, but regained part of its importance thereafter.

The difficulty of attributing differences in the export performance of various countries to competitive factors has already been indicated. However, in this connexion an analysis of the commodity composition of exports may once again help to throw some light on the reasons for varying export developments to primary exporting areas. Table 20 shows the changes in the export structure of the three major western European exporting countries since before the war. It emerges that pre-war Germany had a similar position with regard to the composition of its exports in relation to those of competing western European countries as had the United States in relation to all western Europe. Chemicals and, to a lesser extent, machinery made up a much higher, and textiles a much lower, share in total German exports to primary exporting areas than in the exports of the United Kingdom or France. Thus post-war western Germany inherited a commodity structure of exports which was much more favourable from the point of view of the changes in the import demand of primary exporting

TABLE 20

Commodity composition of exports from the United Kingdom, France and western Germany to primary exporting countries

Percentages [a]

Commodity group	United Kingdom			France			Western Germany		
	1938	1952	1956	1938	1952	1956	1938 [b]	1952	1956
Food, drink and tobacco	5	7	7	15	15	19	1	1	2
Raw materials and fuel	18	18	18	21	24	24	32	25	18
Machinery	16	25	24	5	12	9	19	34	29
Transport equipment	10	16	18	4	8	9	9	10	14
Chemicals	5	8	10	6	8	10	17	12	17
Textiles	28	16	12	26	17	14	10	7	7
Other commodities	18	10	11	23	16	15	12	11	13
All commodities	100	100	100	100	100	100	100	100	100

Sources and methods: See Appendix B.

NOTE. — See Table 18 on p. 25.

[a] Based on values at 1948 prices for 1938, and on values at 1950 prices for 1952 and 1956.

[b] Including eastern Germany.

countries than that of the United Kingdom, and the advantage was greater still in relation to France. This certainly contributed to the rapid expansion of western German exports, once the effects of war destruction and dislocation had been overcome and productive capacity had been restored, and a further shift towards capital goods has since enhanced the favourable position. There has also been a shift in the exports of the other two countries towards the commodities for which there was a rapidly expanding demand; but, even so, capital goods now make up about 60 per cent of west German exports to primary exporting areas, as against 52 per cent for the United Kingdom and only 28 per cent for France.

The commodity composition of exports from the smaller western European countries considered as a group is closer to that of France than to that of the United Kingdom or of western Germany. There is a relatively high concentration on food and consumers' manufactures, and these commodity groups constitute over 40 per cent of their total exports to primary exporting countries as against a share of about one third made up by capital goods (see Table 21).

Italy's loss of position among western European exporters to primary exporting countries was due, in part, to the heavy share of textiles in its exports. The recent recovery is attributable to large increases in exports of certain types of machinery, motor vehicles and chemicals.

TABLE 21

Commodity composition of exports from six selected western European countries [a] to primary exporting countries

Percentages [b]

Commodity group	1952	1956
Food, drink and tobacco	16	15
Raw materials and fuel	26	25
Machinery	15	16
Transport equipment	9	9
Chemicals	7	9
Textiles	16	13
Other commodities	11	13
All commodities	100	100

Sources and methods : See Appendix B.

[a] Belgium-Luxembourg, Denmark, Italy, Netherlands, Norway and Sweden.

[b] Based on values at 1950 prices.

The commodity composition of the smaller western European countries is much more highly specialized. Thus, in Danish and Dutch exports, food accounted for about 40 and 30 per cent respectively of total deliveries to primary exporting areas in 1956; and since they consist largely of higher-quality foods, they are likely to continue to expand with the further rise in incomes in the importing countries. Moreover,

TABLE 22

Commodity structure of western Europe's exports by areas of destination

Percentages [a]

Commodity group	Area of destination							
	United States		Western Europe		Semi-industrial countries		Non-industrial countries	
	1952	1956	1952	1956	1952	1956	1952	1956
Food, drink and tobacco	16	14	16	16	4	3	13	16
Raw materials and fuel	33	25	36	34	22	18	22	22
Machinery	8	9	16	15	29	25	17	18
Transport equipment	5	10	7	8	15	16	11	13
Chemicals	9	7	7	8	6	11	9	11
Textiles	14	12	9	9	14	15	16	11
Other commodities	15	23	9	10	10	12	12	12
TOTAL	100	100	100	100	100	100	100	100
Value in millions of dollars at 1950 prices .	1 136	1 931	9 417	14 367	2 116	2 184	5 248	6 727
Volume index *(1952 = 100)*	100	170	100	153	100	103	100	128

Sources and methods : See Appendix B.

[a] Based on values at 1950 prices.

some items in the machinery group are beginning to take on a certain importance in Danish exports, and machinery and transport equipment deliveries make up about one-quarter of the exports from the Netherlands to the countries in question. Of Belgian exports to these areas, 30 per cent consists of metals, mainly iron and steel — an item which is rapidly expanding in the imports of the non-industrial countries among the primary exporting areas — and chemicals are another important and rising export group from that country.[40]

A final point of interest is a comparison between the commodity composition of western European exports to the United States, to other western European countries and to primary exporting countries — both semi-industrial and non-industrial (see Table 22). The structure of exports to the United States differs considerably not only from that of exports to non-industrial and semi-industrial countries — in turn widely divergent from each other, particularly with regard to their dependence on food imports from western Europe[41] — but also from that of intra-western European trade. The major features are the high degree of concentration in exports to the United States on raw materials, food and manufactured consumers' goods. Capital goods make up a much less important part of deliveries to the United States than to any other area, although exports of motor vehicles have made remarkable progress in the American market in recent years.

---

[40] For the commodity composition of individual countries, see Appendix Table XI.

[41] The difference between the commodity composition of imports into semi-industrial and non-industrial countries has already been discussed in the preceding section, and the structure of western European exports to those two areas reflects this difference.

Chapter V

PROSPECTIVE TRADE STRUCTURES

1. The Projection of Western Europe's Output and Trade

The preceding chapter analysed past trends in world trade, and particularly in the trade of western Europe. In the present chapter an attempt is made to project into the future the effects on trade of some major tendencies which have operated in the recent past and may be expected to remain important for some years to come. It is not the intention in any sense to forecast future developments, but merely, on the basis of assumed rates of growth in the economy of western Europe, to illustrate the probable implications of those tendencies.

The principal problems upon which it is hoped to throw some light through this method are firstly, the so-called dollar problem as it relates to western Europe — that is, the question to what extent the dollar may tend to be a " scarce " currency from the point of view of western Europe; and secondly, prospective developments in the trade between the industrial countries as a group[1] and the primary exporting countries. In connexion with the last question in particular, the possible effects of the Common Market and of a western European Free Trade Area are also discussed.

Given the importance for the primary exporting countries of maintaining and further expanding their exports to the industrial countries, and the widely divergent impact on different groups of primary exporters of structural changes in world trade and in the industrial countries' imports in particular, it is interesting to work out, on the basis of past trends and existing knowledge, projections of the trade in basic foodstuffs and crude materials. In accordance with earlier attempts along the same lines, the projections refer to 1975.[2] The application of alternative assumptions regarding the growth of gross national product in western Europe will suggest the importance for the primary exporting countries of a high rate of expansion in the industrial countries. Furthermore, the study aims at indicating to what extent individual primary exporting countries, or groups of countries, are likely to benefit from the increase in the imports of the industrial countries. In broad outline a picture will thus be provided of some of the possible future shifts in the pattern of world trade. The final section of the chapter discusses the implication of these shifts for western Europe and for the primary exporters, particularly the non-industrial countries and also the possible role of capital exports from the industrial countries in alleviating the impact of the changes in trade structure, especially on those non-industrial countries which are likely to increase their exports little.

For the United States, the assumptions used in the studies previously referred to[3] have been adopted, implying a doubling of gross national product between 1950 and 1975, or an annual growth rate of 2.8 per cent.[4]

---

[1] This group is here narrowly defined as western Europe, North America and Japan. Eastern Europe and the Soviet Union belong in part to this group, but receive little attention, as does Japan also, in the present study. The trade problems of the eastern European countries are discussed in Chapter VI.

[2] Such earlier studies include the Paley Report (*Resources for Freedom*, A report to the President by the President's Materials Policy Commission, June 1952); *Preliminary Report*, Royal Commission on Canada's Economic Prospects, December 1956; *Europe's Growing Needs of Energy — How can they be met ?* OEEC, May 1956; *Europe to-day and in 1960*, 8th Report of the OEEC, Vol. II, April 1957; " Mémorandum sur la définition des objectifs généraux de la Communauté ", *Journal officiel de la Communauté européenne du charbon et de l'acier*, 20 May 1957. A recent contribution is that by the *Economist* Intelligence Unit in *Britain and Europe*, London, 1957. These studies concentrate on conditions for economic growth, and pay no systematic attention to repercussions on the world at large. This has, however, been attempted by the GATT secretariat in *International Trade 1956*, June 1957, on the basis of the studies available at that time and in *The possible impact of the European Economic Community, in particular the Common Market, upon world trade*, General Agreement on Tariffs and Trade, Trade Intelligence Paper No. 6, Geneva, December 1957. A study of prospective American import requirements has recently been made by Henry G. Aubrey, *United States Imports and World Trade*, Oxford, 1957, where, on the basis of recent experience, he aims at adjusting the import estimates contained in the Paley Report.

[3] See footnote 2.

[4] For the period 1955 to 1975 this implies a rise of approximately 80 per cent.

TABLE 1

Employed population by sectors in OEEC countries

1955 (actual) and 1975 (assumed)

	Percentages			Index numbers *1955=100*	
	1955	*1975 (I)*	*1975 (II)*	*1975 (I)*	*1975 (II)*
Employed population in :					
Agriculture [a]	28	22	17	85	73
Industry [b]	38	41	44	120	140
Services	34	37	39	121	138
TOTAL	100	100	100	110	120

Sources : See Appendix B.

[a] Including forestry and fishing.

[b] Includes manufacturing, mining, public utilities and construction.

Since one purpose of the investigation is to illustrate the effects of various rates of economic expansion in western Europe, two projections have been elaborated of western Europe's gross national product by 1975, differing by 20 per cent.[5] These projections are in the nature of the case not forecasts; nor are they to be interpreted as indications of the probable maximum and minimum rates of growth in the western European economy in the years ahead. They are merely to be understood as assumptions which, in the light of past experience, are within the realm of probable developments and are at the same time sufficiently far apart to allow a clear illustration of the effects of alternative rates of growth.

Under assumption I, western Europe's gross national product is assumed to have increased by 1975 to a level 60 per cent above that of 1955, whereas under assumption II, it has doubled. In order to secure internal consistency of the assumptions, the two models have been elaborated in some detail; but for the purpose of setting out the consequences in the field of trade of the alternative projections, it is here necessary to indicate only a few of their salient features (see Tables 1 and 2).

In model I, where gross national product rises by 60 per cent, the employed population is assumed to rise by only 10 per cent, whereas in model II the rise amounts to 20 per cent. The difference is accounted for by a slightly higher employment rate and substantially higher activity rates in model II than in model I.[6] Table 1 shows, for OEEC countries, the assumed distribution of the employed population among the three principal sectors — agriculture, industry and services. In model II, the more rapid growth of gross national product is accompanied by a higher rate of labour transfer from agriculture into industry and services. On this assumption, the 1975 distribution of the employed among the three sectors will approximate closely the actual 1955 distribution in north-western Europe. In model I, productivity is assumed to rise at roughly the same rate in agriculture as in industry, the more rapid rise in industrial output being entirely accounted for by the transfer of labour from agriculture to industry, a factor partly compensated by a shortening of the working week in industry. Thus, model I assumes a parallel rise in real per capita income levels in agriculture and industry provided the relative prices of agricultural versus industrial goods do not change. Model II, on the other hand, implies a more rapid transfer of labour out of agriculture and, in line with this, a rise in labour productivity in agriculture relative to that in industry by a few per cent over the twenty-year period, leading to a corresponding rise in agricultural per capita incomes in relation to those in industry at constant relative prices of agricultural products.

TABLE 2

Gross domestic product at factor cost in OEEC countries

1955 (actual) and 1975 (assumed)

	Billions of dollars at 1955 prices			Index numbers 1955=100	
	1955	*1975 (I)*	*1975 (II)*	*1975 (I)*	*1975 (II)*
Agriculture [a]	25	32	34	130	135
Industry [b]	87	153	196	175	225
Services	79	120	152	153	193
TOTAL	191	305	382	160	200

Sources : See Appendix B.

[a] Including forestry and fishing.

[b] Includes manufacturing, mining, public utilities and construction.

---

[5] Throughout this chapter, the distinction between gross domestic product and gross national product is ignored as immaterial for the purposes of the study. The projections have actually been set up in terms of gross domestic product.

[6] Model I assumes that the employed population grows just about as rapidly as the total population of working age. Model II, on the other hand, assumes that unemployment is greatly reduced in Italy and other southern European countries and that it also declines somewhat in a number of countries with already high employment levels. A further and larger part of the rise in the employed population is accounted for by an increase in the activity rate, principally through an increase in the proportion of women entering the labour market.

2. FUTURE IMPORTS INTO WESTERN EUROPE AND NORTH AMERICA OF FOODSTUFFS, RAW MATERIALS AND FUELS

More than nine-tenths of all imports into the industrial countries from primary exporters consist of foodstuffs and raw materials.[7] This is as true of imports from semi-industrialized countries — for example, Argentina, Brazil, Australia and New Zealand — as of imports from those which are at the very beginning of industrialization. Further, the bulk of shipments from primary exporters of foodstuffs and crude materials is destined to the industrial countries. Inasmuch as no radical change in the export structures of the semi-industrial, and particularly the non-industrial, countries is to be expected in the period covered by the present study, these countries will remain largely dependent for their export earnings upon the demand of the industrial countries for foodstuffs and raw materials, including metals and certain basic manufactures such as leather and standard textiles.

In view of the far-reaching effects of the structural changes in the industrial countries' demand for primary goods, it has been considered useful to project these trends into the future. The present section contains such an arithmetical exercise. It makes no claim to represent a forecast of the future imports into the industrial countries of individual foodstuffs and raw materials, but has been drawn up for the purpose of illustrating major tendencies in world trade and serving as a basis for the discussion in the concluding section of the chapter of the balancing problems likely to be predominant in the years ahead.

Tables 3 to 7 summarize the results of the calculations of the future imports into western Europe and North America. These projections are based on the general assumptions stated above concerning the growth of gross national product, the shift of manpower from agriculture to urban occupations and the corresponding increase in the volume of agricultural and industrial production.[8]

Total consumption of foodstuffs and raw materials for consumers' goods has been derived through the application of available data on the elasticity of demand with respect to income; and the demand for other raw materials, including fuels, has been assumed to be a function of the growth in gross national product or industrial production. The total amount of indigenous supplies of foodstuffs has been taken as resulting from the basic assumption concerning the growth of agricultural production.[9] The main problem created by the high flexibility in the pattern of food production compared with the situation for raw materials is that of confronting the derived future consumption pattern with shifts in food output structure. The assumption of a relatively narrow margin between the maximum and the minimum hypotheses as regards the growth in western European agricultural production, with a rather wider span between the two hypothetical increases in gross national product automatically results in a sizeable difference in import requirements on the two hypotheses.

In the case of industrial raw materials, including fuel, the future growth in indigenous supplies of traditional types has been assumed as being given by data on known reserves. However, as has been shown in the preceding chapter, lagging indigenous supplies have in many cases been supplemented not only — or not even primarily — through accelerated imports, but also through the development of substitutes based on cheaper or domestically available raw materials. While this substitution has so far overwhelmingly affected raw materials of agricultural origin, textile fibres, rubber and soap oils — partly as a result of the increase in prices of these materials in relation to those of competing materials since before the war — there also occurred some substitution of aluminium, based on indigenous resources of bauxite and cheap hydro-power, for copper which is mainly imported. Technological advances in the future may very well strengthen this trend. There seem already to be prospects, through the utilization of atomic or hydrogen power, of a reversal of the trend towards increasing western European dependence on outside sources of energy. Although it may take fifteen years for the process to reach the stage of industrial application, and even longer for it to account for a sizeable share of energy production, it is clear that the future scope for synthetics, which require large quantities of energy in their production, may become much greater than has been assumed below, if not in 1975 already, at least in the more remote future.

The estimates of North America's future imports have been taken from the sources indicated in footnote 2 with only a few adjustments.[10] For Canada, available information is relatively scarce, and the figures included are often purely notional. The share

---

[7] Imports from eastern Europe are included in imports from primary exporters. Several eastern European countries have of course attained a high level of industrial development, and their exports to the outside world consist to a large extent (about one-half) of manufactured articles.

[8] See also the annex to this chapter.

[9] The share of industrial crops in western European agricultural production is very small, only about 3 per cent.

[10] The major adjustment in this context refers to re-basing the estimates on a 1954–56 average.

TABLE 3

Imports into western Europe and North America of foodstuffs, raw materials and fuels

Values in billions of current dollars and index numbers of volume

Commodity	Western Europe [a]			North America [b]		Western Europe and North America [c]		
	Value f.o.b. [d]	Volume Index numbers *1954–56 = 100*		Value f.o.b.	Volume Index numbers *1954–56 = 100*	Value f.o.b.	Volume Index numbers *1954–56 = 100*	
	Average 1954–56	1975 (I)	1975 (II)	Average 1954–56	1975	Average 1954–56	1975 (I)	1975 (II)
Foodstuffs	6.6	110	130	3.4	150	8.1	130	140
Raw materials of agricultural origin [e]	3.3	125	140	1.2	155	4.0	135	145
Mineral fuels	2.5	145	240	1.3	220	3.3	175	240
Minerals (excluding fuels) and base metals [f]	1.8	195	250	1.3	200	2.3	230	270
Total foodstuffs, raw materials and fuels	14.2	130	170	7.2	170	17.7	150	175

Sources : For the 1954-56 average: *OEEC Statistical Bulletins, Series IV, Foreign Trade :* Member countries combined, United States of America and Canada. For 1975: see text and Annex to Chapter V.

[a] Data refer to OEEC countries (excluding Switzerland).

[b] Excluding trade between the United States and Canada.

[c] Excluding trade between the two areas.

[d] The f.o.b. adjustments for imports into western European countries are derived from a comparison of the c.i.f. values with the f.o.b. values reported by the most important exporting countries for each commodity. They thus differ from those adopted in Appendix Tables XV to XXXII, where a flat reduction of 12.5 per cent was made.

[e] Excluding wood and cork.

[f] Excluding iron and steel, iron and steel scrap and precious metals and ores.

of Canada in total North American imports of foodstuffs and raw materials from outside countries is, however, relatively small. Trade between the United States and Canada has been excluded throughout. In the case of raw materials the estimation of the more important of these flows of imports into the United States from Canada has been based on indicated sources and upon the general assumption that the United States would cover its import requirements in the first place by drawing on Canadian supplies.

A summary of the calculations of the increase between 1954–56 and 1975 of western European and North American import requirements is given in Table 3. This and Tables 4 to 7 show western European imports from all countries outside the area, thus including imports from North America, Japan and eastern Europe; the data for North America correspondingly include imports from western Europe, Japan and eastern Europe. The last section of Table 3 shows imports into western Europe and North America combined from all outside countries, thus excluding trade between the two areas, but still including imports from Japan and eastern Europe. The inclusion of these developed countries does not, however, affect the figures to any significant extent. It should also be stressed that Tables 3 to 7 show *gross* imports from outside areas. There were, in 1954–56, rather important *exports* of foodstuffs and raw materials from the developed countries to primary producing countries.

The commodities covered by the investigation have been arranged in four groups with broad common characteristics with regard to elasticity of demand, substitution and supply in the developed countries. As would be expected, the projected increases in imports of food are relatively small, both for North America and, in particular, for western Europe. A generally low income elasticity of demand for food, coupled with sufficient elasticity and flexibility of supply, keeps import requirements low except for tropical products. The preponderance in North American food imports of tropical products — in particular, coffee — is chiefly responsible for the higher increase in imports compared with that estimated for western Europe, even according to the stronger hypothesis.[11] Also for the group " raw materials of agricultural origin " (chiefly hides and skins, fibres and natural rubber) a moderate growth in imports has been arrived at. A relatively low income elasticity of demand for some of the items (textile fibres and hides), combined with a substitution of synthetic for natural materials, affecting virtually all materials in the group, reduces the industrial countries' reliance on imports. As will be shown in more detail below, the higher index for North America is due partly to a more rapid increase in population in that area as compared with that in western Europe and partly to the fact that North America is self-sufficient in cotton, the fibre that is assumed to suffer most from substitution.

The expansion of industrial activity in the industrial countries has a strong and direct impact upon imports of the remaining two groups of commodities. Even in the case of the two traditional pillars of industrial growth, iron and fuel, indigenous resources prove insufficient. Western Europe long ago became a net importer of fuel, and is now a net importer also of iron ore. Reliance on imported non-ferrous metals or ores, or both, has increased gradually, and this trend is assumed to continue. Also, North America is now a net importer of fuels, minerals and metals. This shift occurred, however, much later than in western Europe; and this is the main reason why imports into North America are likely to increase almost as fast as in western Europe despite the fact that the area is more richly endowed with resources and that a very important expansion in supplies of iron ore, petroleum and non-ferrous metals is expected, particularly in Canada.

---

[11] The source used for the United States assumes in addition, however, a fairly substantial increase in imports of various processed foods.

Foods

The assumed increases of value added in western European agriculture between 1955 and 1975, of 30 and 35 per cent respectively for the two hypotheses, correspond to rises in gross output (net of all inputs of agricultural origin, except imported feeding-stuffs) of 33 and 41 per cent respectively.[12] The discrepancy between the two sets of percentages is due to a higher rate of growth in inputs of non-agricultural origin (fertilizers, fuel, transport and other services) than of the value added. A growth in agricultural output of 33 or 41 per cent between 1955 and 1975 appears relatively high by comparison with the increase of 28 per cent achieved between 1934–38 and 1954–56, a period when total population in western Europe increased at a much higher rate than is foreseen for the next two decades. The divergence appears even larger when it is remembered that the volume of net imports of food fell by about one-fifth between 1934–38 and 1954–56. This decline, however, was due not only to a replacement of imports by indigenous products, but also to a relatively small increase in consumption of non-competing foods. The assumption that western European agricultural production will rise at a higher rate during the coming decades than during the immediately preceding ones need not imply any continued decline in net imports of food. As will be shown below, imports are in fact likely to grow in the future, and this increase will be largely concentrated on non-competing foods (coffee, cocoa, etc.).

A projection — in quantitative terms — of future requirements of food must take into account that " the desire for food is limited in every man by the narrow capacity of the human stomach ". While this statement relates directly to the absolute quantity of food any human being can consume, it has also a bearing on the calorie content of food consumption. Per capita calorie intake increased only fractionally between 1934–38 and 1954–56, and any further increase that may take place will certainly also be very limited. For the purpose of the present study it has been assumed that the increase in calorie intake will range between 3 per cent for the lower hypothesis and 5 per cent for the higher. These increases are compatible with the income elasticities which have been adopted for estimating the increase in consumption of the individual food items.[13]

While total output of western European agriculture is based on assumptions regarding the labour force available and productivity, the future structure of that output is assumed to adjust itself, by and large, to changes in the pattern of consumption. In particular, a significant shift towards output of livestock products is foreseen in contrast to the development between the pre-war and post-war periods. Annex Table V-B shows that, in fact, the share of livestock products in total agricultural output fell from over 63 per cent before the war to 61.5 per cent in 1954–56. Furthermore, per capita consumption of meat and most other livestock products only recently reached pre-war levels.

The projected decline of the share of crop output is concentrated on cereals, potatoes and pulses, while horticultural crops, by and large, retain their share as a result of the foreseen expansion in fruit consumption. It may be expected that this will be brought about through an expansion in exports from the southern to the north-western European countries. The increase in the share of livestock products is exclusively concentrated on meat and eggs. Obviously, these shifts become considerably larger in the framework of the higher hypothesis.

The consequences of these trends in consumption and indigenous production for western European import requirements of food and feeding-stuffs in 1975 are illustrated in Table 4, which also gives similar indications for North America. While, according to both hypotheses the share of imports in western Europe's total food supplies is expected to decline, the weaker hypothesis results in an extremely modest increase in the volume of western Europe's imports, exclusively brought about by the increased demand for tropical products, and import requirements of

---

[12] Because of the difficulties in apportioning the imported feeding-stuffs on the components of the livestock output the concept of agricultural output adopted here makes no deduction for these. The share of imported feeding-stuffs in total agricultural output has been less than 6 per cent in recent years as compared with over 8 per cent before the war. A continuous decline in this proportion is likely to occur in the future, partly because of an expected increase in western European yields of coarse grain (maize) and pasture and partly because of the increasing efficiency in feeding. It has, however, been assumed that the substitution of domestic for imported feeding-stuffs will be pushed slightly further according to the *lower* hypothesis.

[13] The income elasticities used for the forecast of total requirements are shown in the annex to this chapter.

TABLE 4

Imports of foodstuffs into western Europe and North America

Values in millions of current dollars and index numbers of volume

Commodity	Western Europe [a]			North America [a]		Western Europe and North America [a]		
	Value f.o.b. [a]	Volume Index numbers *1954–56 = 100*		Value f.o.b.	Volume Index numbers *1954–56 = 100*	Value f.o.b.	Volume Index numbers *1954–56 = 100*	
	Average 1954–56	1975 (I)	1975 (II)	Average 1954–56	1975	Average 1954–56	1975 (I)	1975 (II)
Meat and livestock	550	100	155	140	170	590	110	160
Dairy products	340	100	100	30	..	320	100	100
Fish	80	100	100	140	170	170	140	140
Bread grain	740	80	100	..	..	310	80	100
Coarse grain	560	100	120	..	..	290	100	120
Fruit and vegetables	670	100	145	280	170	800	120	150
Sugar	360	110	130	530	110	870	110	120
Coffee	740	135	150	1 490	165	2 220	155	160
Cocoa	320	145	165	230	180	520	160	175
Tea	370	120	125	80	160	450	125	130
Other food	70	130	170	60	170	40	140	150
Beverages	200	100	100	130	170	200	100	100
Tobacco	400	125	150	90	140	190	125	145
Feeding-stuffs	210	100	120	20	..	170	100	120
Oil-seeds	590	100	100	60	150	530	120	120
Vegetable fats and oils	350	145	155	90		360		
Animal fats and oils	110	80	80	10		60		
Total	6 650	110	130	3 390	150	8 090	130	140

Sources: See Table 3.

[a] See footnotes *a* to *d* in Table 3.

competing foodstuffs remain on the 1954–56 level or even fall. The stronger hypothesis is in this respect strikingly different, since the shift in the consumption pattern is so strong that the expansion in domestic output proves insufficient to meet the higher requirements of competing foodstuffs, with the exception of bread grain, vegetables and dairy products.

The projected increase in imports of foodstuffs into North America is significantly higher than that for western Europe on both hypotheses. This is due partly to faster population growth in North America than in western Europe over the coming two decades, and partly to the preponderance of tropical food, particularly coffee, sugar and fruit, in the imports of the former area. However, no analysis similar to that made for western Europe and aiming at reconciling the expected shifts in the consumption pattern with the expected growth of agricultural output has been undertaken for North America.

Table 4 refers to imports of western Europe and North America from all outside countries. There is, however, a substantial flow in the opposite direction, in the period 1954 to 1956 valued at an annual average of approximately $2 billion. In general, western European exports of foodstuffs to primary exporting countries consist of more processed products — for example, dried milk, conserves of fish, meat and fruit, flour and refined sugar, as well as certain specialities like whisky and oriental-type tobacco. Furthermore, in most cases these exports are destined for other countries than those from which western Europe imports similar commodities, although there are also instances where a commodity after processing is re-exported to the supplier. North American exports to primary exporters consist overwhelmingly of grain and flour (often delivered within the framework of special arrangements), dried milk, fruit conserves and tobacco. Thus, it would seem that on the whole the food exports from the industrial countries form part of an international division of labour, that they are likely, if anything, to expand further, and that they would have little influence on the imports of these countries.

Raw Materials of Agricultural Origin

Largely as a result of war-time scarcities and of strategic considerations, substitutes have been developed for virtually all raw materials of agricultural origin. Large-scale production of rayon staple started in Germany, Italy and Japan during the 1930s, although the basic processes had been developed long before, and synthetic rubber production also started in Germany immediately before the war. During the war many countries, cut off from traditional supplies of natural materials, were obliged to start production of substitutes. When normal trade again started to flow after the end of hostilities, output of substitutes tended to fall, but later events, coupled with a distinctive price advantage, brought them back into prominence. Thus, whereas it is generally true that the success of the substitute products has been assisted by a range of special non-recurring factors, there is, of course, in addition a solid economic background to their achievement. The supply elasticity of the natural materials is — at least in the short run — relatively low, and fluctuations in demand have strong and immediate repercussions on prices. During almost all post-war years, the price of natural materials has been substantially above that of their substitutes. Undoubtedly, the man-made materials which are produced continuously and in most cases are sold within the framework of stable commercial arrangements on a cost-plus basis, have a distinctive advantage over agricultural products which are produced discontinuously (normally one crop a year), affected by the vicissitudes of weather and often sold on an auction basis.

Thus, although the natural products still account for the bulk of total availabilities, they have assumed the character of residual supplies on which price fluctuations have been concentrated. In most cases, the price elasticity of substitution seems to be quite high, and any enduring reduction in the relative prices of the natural products will tend to divert demand towards them and cause a corresponding decline in output of the competing synthetics. In the long run, consumption will shift in favour of that type of material which can be supplied at the lower and more stable price. It may be argued that agriculture offers as great a scope for productivity gains as industry. Irrigation, seed control, increased use of fertilizers and mechanical devices can, for example, raise cotton yields very much: similarly, relatively simple measures will increase the average weight of fleeces; and in the case of natural rubber, replanting is done with high-yielding trees, etc. But even under the most favourable assumptions on the relative productivity gains of agricultural versus industrially produced materials, the future of the natural fibres is jeopardized by the effect of fluctuations in harvests and, in general, the low short-term supply elasticities.

It may be argued that the existence of a synthetic substitute has put a floor below the price of natural materials, shielding them from catastrophic price falls, such as happened in the inter-war period. If this is the case, producers of natural materials could look to the future with more confidence than in the past, and it would be an argument for expanding output of natural materials as long as this can be achieved without any increase in costs. In this situation the burden of adjustment would be shifted to the synthetic substitutes. Despite this, it does not seem realistic to assume that over the next twenty years the natural materials will be able to retain their present share of total consumption.

This conclusion is based first on a consideration of the development policies of the overseas countries which are likely to give preference to industrial expansion. Indirectly, productivity in agriculture will be affected, but certainly not sufficiently to reverse the trend towards other materials. Furthermore, more substitution is likely to occur for technological reasons. The new synthetic fibres have distinct qualities that make them preferable in certain uses, above all in various industrial applications where the price plays a relatively smaller role, and special types of synthetic rubber are likewise superior to the natural product in certain uses, irrespective of minor price differences. In addition, the post-war years have witnessed a very rapid expansion in world output of a new class of synthetics — plastics — to which reference was made in Chapter IV. Without any doubt the various plastic materials will in the future capture growing shares of raw material requirements in a great number of industries, partly replacing conventional materials, and partly satisfying entirely new needs. The plastics are, however, based on coal and petroleum — commodities which are likely to be in increasingly short supply — and furthermore the production process requires great quantities of energy. A successful solution of the future energy problem through large-scale utilization of atomic or hydrogen power would, however, set resources free for a development of plastics production (as well as of other synthetic materials) on a scale sufficient seriously to affect the natural materials.

Table 5 summarizes the projections of western Europe's and North America's imports of agricultural raw materials.[14] The increases in imports are relatively small on both hypotheses. In the case of textile fibres the increase is concentrated on wool. Cotton imports will increase only fractionally — mainly because of continued competition from rayon and synthetic fibres, though in western Europe also as a result of a rapid increase in indigenous production. Imports of jute (including manufactures) and hard fibres also increase only moderately. For natural rubber, on the other hand, imports grow appreciably, in line with a rapid expansion of supplies in producing countries. Since total requirements of rubber increase at a very high rate, the rapid expansion in output of synthetic rubber supplements rather than replaces the natural

---

[14] See also the annex to this chapter.

TABLE 5

Imports of raw materials of agricultural origin into western Europe and North America

Values in billions of current dollars and index numbers of volume

Commodity	Western Europe [a]			North America [a]		Western Europe and North America [a]		
	Value f.o.b. [a]	Volume Index numbers *1954–56 = 100*		Value f.o.b.	Volume Index numbers *1954–56 = 100*	Value f.o.b.	Volume Index numbers *1954–56 = 100*	
	Average 1954–56	1975 (I)	1975 (II)	Average 1954–56	1975	Average 1954–56	1975 (I)	1975 (II)
Hides and skins and leather	330	115	120	140	130	370	120	120
Rubber, natural	460	140	180	390	160	850	150	170
Wool	1 140	135	150	310	170	1 390	140	155
Cotton	1 050	105	110	60	120	770	105	110
Jute and burlap	120	120	130	110	140	220	130	135
Hard fibres	70	125	130	50	130	120	125	130
Wood and cork	380	..	..	60	..	320	..	..
Other raw materials of agricultural origin	170	135	150	110	170	230	145	155
Total (excluding wood and cork)	3 340	125	140	1 170	155	3 950	135	145

Sources: See Table 3.

[a] See footnotes *a* to *d* in Table 3.

product. The increase in imports of hides and skins (including leather) is by and large restricted to fur skins, while imports of heavy hides and other skins show only marginal changes. Within the group there occurs, however, a certain shift from raw hides to leather, which tends to raise somewhat the foreign currency earnings of the exporting countries.

The table contains in addition two groups — wood and other materials of animal or vegetable origin — for which no special studies have been made. The indicated increases in import requirements of the latter group of materials are purely notional and are derived through an extrapolation of past trends.

The table shows a rather higher rate of growth of imports into North America than into western Europe. As for foodstuffs, the discrepancy is largely due to differences in commodity structure of the imports of the two areas. North America has hardly any imports of cotton, for which the increase in consumption is particularly small.

Western Europe and North America are net importers of all the materials listed in Table 5, with the single exception that the United States has an export surplus of cotton. In the event that United States exports of cotton increase substantially in the future, the export prospects of the primary exporters will be correspondingly impaired. For the purpose of the present study it is assumed, however, that the share of the United States in total world exports of cotton remains at the present level.

Minerals and Base Metals

It was shown in Chapter IV that over recent decades imports into the industrial countries from primary exporting countries increased particularly rapidly in the case of petroleum and non-ferrous ores and metals. It must be expected that this tendency will operate also in the future, as a result of a very rapid expansion in consumption of fuels and materials for metal-using industries on the one hand, and a more modest rise in indigenous supplies of these materials in the industrial countries on the other.

According to the basic assumptions, a growth in western European gross national product by 60 and 100 per cent respectively for the two hypotheses is related to a growth in industrial output by 75 and 125 per cent, respectively. In the metal-using industries the corresponding expansion should clearly be put even higher. In the past, consumption of base metals has in general followed the growth in the volume of total industrial production rather closely, and has thus expanded appreciably more slowly than the output of the metal-using industries. Since the tendency for value added to increase faster than the input of raw materials will continue in the future, and may very well become more accentuated, it has been considered a reasonable approximation to assume that aggregate consumption of base metals will rise in line with the growth in gross national product. Energy requirements have in conformity with other studies[15] been taken to increase at a slightly lower rate than gross national product.

---

[15] See footnote 2.

Indigenous reserves of most minerals and metals are insufficient for the projected increase in consumption. This applies both to western Europe and to North America, although the latter area still contains untapped reserves of some of the materials considered here.

One characteristic of metal production and consumption is the importance of reclaimed materials. The so-called circulating scrap, which is re-used in the factory, and process scrap, which is delivered back by the metal-using industries, can be ignored, but not old scrap, which returns to the metal industry after periods of several decades. In many cases scrap collection is rather costly as is the process of recovering metals from scrap. In periods of scarcity with rising prices there may be a temporary increase in scrap supplies, but in the long run they are a relatively stable function of existing above-ground reserves. In the present study, which implies growth rates for the consumption of base metals which are rather higher than those of preceding decades, it is assumed that the share of reclaimed metals in total supplies of metals remains relatively stable over the coming twenty years.

Mineral fuels. — The growth in western Europe's energy requirements between 1955 and 1975 has been derived from the assumption that an increase by 1 per cent in gross national product calls for an increase in energy consumption by 0.85 per cent, a coefficient which is used in the Hartley Report and the ECSC long-term forecast. Applying this coefficient to the two hypotheses for the growth in gross national product between 1955 and 1975 (60 and 100 per cent, respectively) the increase in energy requirements works out at 50 and 80 per cent respectively, or from 790 million tons of coal equivalent to 1,190 million or 1,420 million tons.

Western European production of conventional types of energy grows at a significantly lower rate despite a very considerable expansion in production of petroleum (fourfold) and of natural gas. Of the latter fuel important resources exist in Italy and have recently been discovered in France. The contribution from these might very well approach 40 million tons in coal equivalent by 1975. All told, western European production of conventional fuels (coal, petroleum, natural gas and hydropower) is put at between 850 and 900 million tons in 1975, the higher figure relating to the strong hypothesis for the growth in gross national product, thus leaving a deficit of 340 million to 520 million tons or between 30 and 40 per cent of total requirements, as compared with 20 per cent in 1955.

The 1975 energy deficit is covered largely by accelerated imports of petroleum,[16] while coal imports increase more moderately. Projected supplies of coal from Poland and other eastern European countries are, as a maximum, about 20 million tons, while imports from the United States remain more or less on the 1956 level, about 40 million tons. There is, however, another way of bridging the gap between western Europe's energy output and requirements, which is receiving serious consideration—namely, large-scale utilization of atomic power. At the present time, atomic power plants are still in the experimental stage, and the cost of energy produced is substantially above that of conventional fuels. On the whole, it may be argued that only if it becomes possible to employ the fusion rather than the fission process, will atomic power become a more serious competitor of other energy sources. Anyhow, the enormous investments necessary make it highly unlikely that, within the relatively narrow time-span of less than twenty years, atomic power will contribute much more than 10 per cent of western Europe's total energy supplies.

For the present study it is postulated that the contribution from atomic or hydrogen power will be of the magnitude of 100 million to 140 million tons of coal equivalent for the two hypotheses concerning the growth in gross national product. If these quantities are deducted from the above-indicated energy deficits, net deficits of 240 million to 380 million tons remain to be covered through imports. Since coal imports increase from 33 million tons in 1955 and 50 million tons in 1956 to about 60 million tons in 1975 (of which 40 million tons from the United States) import requirements of petroleum (and natural gas) reach 180 million to 320 million tons, as compared with actual imports of 130 million tons in 1955.

The United States, only a few years ago a net exporter of all fuels and still a net exporter of coal, is likely to supplement the relatively slowly growing output of petroleum by increasing imports. Net import requirements in 1975 of crude petroleum and residual fuel oil have been estimated by Aubrey (op. cit.) at something between 160 and 280 million tons, with about 200 million tons as the most likely alternative, of which Canada is expected to supply 50 million tons.

Iron ore. — The basic metal in modern industry — and likely to remain so — is steel. Although steel may be replaced in certain rather limited uses by other metals, as well as by plastics and other non-metals, requirements of steel are bound to expand at a high rate in the future — faster than the growth in gross national product. On the assumption that exports to extra-western-European countries remain on the present level of approximately 10 million tons, production of crude steel increases from the present level of 80 million tons in 1955 and 86 million tons in 1956 to 145 million and 190 million tons respectively in 1975 for the two hypotheses concerning the growth of gross national product. Even the higher alternative results, however, in a lower per capita production (540 kg) than the present rate in the United States (640 kg).

---

[16] Technological developments may make it possible to transport natural gas in liquefied form.

The raw material requirements for the output of crude steel consist of iron ore, scrap and coking coal. In the case of scrap, western European steel producers are making great efforts to restore the balance between supply and demand and there is no reason to doubt that these efforts will prove to be successful in the long run. Provided coke consumption by sectors other than iron and steel can be gradually shifted to other sources of energy, the coking coal resources of western Europe will be largely adequate to cover the requirements of the iron and steel industry. The western European output of iron ores is likely to expand further. However, it will not be possible to expand existing facilities beyond certain limits; some countries may not be prepared to run their mines at a rate which would bring about their rapid exhaustion and there are only limited prospects for the opening up of new virgin sites with huge reserves. Besides, the growing fleet of 30,000-ton iron ore carriers will help to reduce transport costs in such a way as to make overseas rich ores competitive with many European lean ores. As a result, imports of overseas ores are bound to increase considerably between now and 1975.

The maximum expansion in western European iron ore output is put at 60 million tons (actual weight), the larger part consisting of low grade French and German ores. Thus, in order to achieve the indicated increases in steel production, net imports of iron ores have to reach 65 million or 110 million tons in 1975, as compared with between 10 million and 15 million tons in the period 1954-56.

With the progressive exhaustion of United States high-grade ore reserves, and despite the expected rapid expansion in Canadian output, North America will become more and more dependent on imports of iron ore. In 1955, the United States imported about 20 million tons, of which about half came from Canada. By 1975 imports are expected to reach 60 million to 70 million tons, of which Canada should again supply about half.

The potential increase in imports of western Europe and North America from all other countries over actual imports during the period 1954-56 of about 25 million tons may, therefore, be put at 80 million to 125 million tons. Obviously, development of new mines in primary exporting countries must be undertaken on a great scale in order to keep abreast of such a rapid increase in demand. So far, development projects have been started primarily by American steel companies (in Venezuela, Liberia, etc.), and while such projects are likely to benefit also western Europe,[17] it is clearly unreasonable to expect that anything like the projected maximum 1975 import requirements will be covered in this way. In order to satisfy future import requirements of such magnitude, western European countries would need to participate to a great extent in development projects in various overseas countries. But the prospective import requirements need not be covered exclusively through shipments of iron ore to western Europe. Part may well take the form of pig iron or crude steel, mainly resulting from temporary imbalances in newly developed countries between capacities of blast furnaces, steelworks and rolling mills. To the extent that overseas countries deliberately create a surplus for exports to western Europe, western European assistance in providing capital for a large-scale development of such capacity would be necessary in view of the high investments required.

Non-ferrous metals. — During most of the post-war period conventional non-ferrous metals have been in short supply. The rapid expansion in civilian requirements for capital and durable consumers' goods, coupled with the maintained high rate of demand for defence, as well as the United States stockpiling activity,[18] kept demand ahead of the increase in supplies, with a concomitant strong increase in their prices in relation to the steel price, if comparison is made with the immediate pre-war situation. The recent slackening in economic activity in the industrial countries, coupled with the maturing of projects for expanding mine production of metals in many countries has, however, increased supply in relation to demand for three of the major metals — copper, lead and zinc — with a consequent decline in prices. While production of these metals has expanded significantly since before the war [19] there was no similar increase for tin. New production methods involving large-scale economizing in the use of tin have been introduced in various industries, notably in the tin-plate industry.

---

[17] The ECE Steel Market Review for 1956 (E/ECE/294) indicates that iron ore availabilities in Canada and Latin America for shipment to western Europe may increase from 6.5 million tons in 1956 to 34 million tons in 1960, while the corresponding increase in supplies from African territories may be from 8.4 million to 15 million tons.

[18] The United States stockpiling policy has not only aimed at building up stocks of imported metals, but an important aspect has been to maintain and further expand domestic production of ores and metals. On both counts, the lasting result may well have been to increase world supplies although temporary shortages have been created.

[19] The expansion in world output of non-ferrous metals between 1926–29 and 1952–56 was the following (index numbers: the earlier period = 100): aluminium, 1,176; copper, 211; zinc, 188; lead, 137; and tin, 112.

TABLE 6

Imports of minerals, ores and base metals into western Europe and North America

Values in millions of current dollars and index numbers of volume

	Western Europe [a]			North America [a]		Western Europe and North America [a]		
	Value f.o.b. [a]	Volume Index numbers *1954–56=100*		Value f.o.b.	Volume Index numbers *1954–56=100*	Value f.o.b.	Volume Index numbers *1954–56=100*	
	Average 1954–56	1975 (I)	1975 (II)	Average 1954–56	1975	Average 1954–56	1975 (I)	1975 (II)
Mineral fuels								
Coal	400	170	170	..	..	110	200	200
Crude petroleum	1 560	140	250	860	220	2 400	170	240
Petroleum products	520			390		770		
Total mineral fuels	2 480	145	240	1 250	220	3 280	175	240
Minerals and ores								
Crude minerals (including fertilizers)	180	145	165	140	170	210	170	185
Iron ore	110	550	900	110	350	180	500	660
Non-ferrous ores and scrap	420	120	125	440	150	730	140	140
Base metals								
Copper	750	165	210	310	200	840	200	235
Lead	90	170	210	70	230	120	260	290
Zinc	40	250	300	20	200	20	570	650
Tin	30	120	125	150	160	130	150	150
Aluminium	120	400	500	20	250	10	4 300	5 500
Nickel	60	160	200	20	250	20	500	600
Other metals	20	320	400	60	350	40	450	550
Total minerals and metals [b]	1 820	195	250	1 340	200	2 300	230	270
TOTAL	4 300	165	240	2 590	210	5 580	200	250

Sources: See Table 3.

[a] See footnotes *a* to *d* in Table 3.

[b] Excluding finished iron and steel, iron and steel scrap and precious metals and ores.

The metal that has experienced the most rapid expansion both compared with pre-war and during the post-war years is aluminium. Although that metal competes directly in a multitude of uses with other non-ferrous metals as well as with steel, the majority of its applications are in entirely new fields. It is believed that this will increasingly be the pattern, particularly since the distinct price advantage that aluminium has enjoyed in relation to the other non-ferrous metals (on a weight and/or volume basis) is expected to become less pronounced.

Western Europe's future requirements of non-ferrous metals depend on the size and composition of industrial production (including building and construction). Demand for copper is largely geared to electrification, general engineering (where important quantities of copper are consumed in the form of brass), and construction. Total requirements of copper may therefore be taken to increase at least in line with the growth in gross national product. In western Europe lead is still consumed largely in the building trades, but in the future its use in motor vehicles (tetra-ethyl and batteries) will become preponderant. Although lead is likely to lose ground in a variety of uses (in particular piping) the rapid expansion in the number of motor-cars in western Europe may be expected to induce a growth in total lead consumption which is not far short of the rate of increase in gross national product. Zinc is used mainly in galvanizing and thus largely related to building activity, but a new application is die-casting, where zinc is used in alloy with other metals. Some competition from aluminium may be expected in this field, particularly where lightness is important. Die-cast zinc alloys are used liberally in the automotive industry. On the whole, zinc consumption is likely to increase at a slower rate than that of either copper or lead. In the case of tin, scarce supplies preclude any major expansion in consumption but technological developments may mean a further saving of this expensive metal so as further to weaken its position. For aluminium, on the other hand, there will be a very substantial increase in consumption in aeroplanes and in vehicles of all types, as well as in a range of new uses. In the higher gross national product hypothesis, even a trebling appears reasonable.

For all these metals, western Europe will increasingly depend upon imported supplies. Between 1938 and 1956, mine output in western Europe increased significantly for zinc and bauxite (aluminium) and since 1929 domestic output retained its share of total consumption only of zinc. The contribution to total requirements of reclaimed metals is, however, likely to increase, although not much faster than the rate of total consumption.

Table 6, summarizing the calculations of the increase in imports into the industrial countries, reveals that North America is relatively less dependent on imports than western Europe, largely as a result of the important reserves in Canada.

The Regional Pattern

Broad indications having been given of future trends in the imports of primary products into the industrial countries, an attempt will be made to carry the calculations a step further in order to furnish some indications, necessarily tentative, of the distribution among primary exporting countries of the increase in the industrial countries' imports. Table 7 shows data for 1975, already contained in the form of volume indices in Tables 3 to 6, but here expressed in export values at 1954-56 average prices. The grouping of the overseas countries is that currently used in OEEC statistics — a mixture of geographical and currency areas.

For convenience, the 1954-56 average price level of primary goods has been adopted — with certain modifications — for the 1975 data, and for both of the alternative hypotheses for western Europe's gross national product.

Such modifications purport to take account of the different developments of the demand for individual commodities as they affect their relative prices. Table 7 embodies the adjustments assumed to take place in the 1954-56 price structure. It has been

TABLE 7

Imports of foodstuffs and crude materials into western Europe and North America by areas of origin

Values in billions of 1954-56 dollars, f.o.b.

Area	Western Europe [a]			North America [a]		Western Europe and North America [a]		
	Average 1954-56 [a]	1975 (I)	1975 (II)	Average 1954-56	1975	Average 1954-56	1975 (I)	1975 (II)
Western Europe	..	..	..	0.9	1.1	..	..	..
North America	2.8	3.2	4.0	..	..	..	..	..
Eastern Europe	0.5	0.6	0.8	—	—	0.5	0.6	0.8
Latin America	2.1	2.6	3.2	3.6	6.4	5.7	9.0	9.6
of which: Dollar countries	0.7	1.1	1.5	2.4	4.7	3.1	5.8	6.2
Western European Dependent Overseas Territories	3.8	5.7	7.9	1.1	2.0	4.9	7.7	9.7
of which: British	2.0	..	..	0.6	..	2.6	..	..
French	1.2	..	..	0.1	..	1.3	..	..
Belgian	0.3	..	..	0.1	..	0.4	..	..
Dutch	0.2	..	..	0.3	..	0.5	..	..
Portuguese	0.1	..	..	—	..	0.1	..	..
Overseas sterling area (excluding British Dependent Overseas Territories)	3.7	4.7	5.9	0.7	1.1	4.4	5.8	7.0
Other countries in Asia [b]	1.0	1.4	2.1	0.8	1.4	1.8	2.8	3.5
Unspecified	0.3	0.3	0.4	0.1	0.2	0.4	0.5	0.6
All countries	14.2	18.5	24.3	7.2	12.2	17.7	26.6	31.0

Sources: See Table 3.

[a] See footnotes *a* to *d* in Table 3.

[b] Of which Japan and Mainland China accounted for about 130 million and 60 million dollars of imports into western Europe and North America combined in 1954-56.

assumed that the prices of competing food products will, by and large, be maintained in relation to those of manufactures. The same assumption has been made regarding the prices of non-competing foods but certain adjustments of the 1954-56 coffee and cocoa prices were made in order to correct for the influence of temporary factors.

For raw materials of agricultural origin it was assumed, in line with the views expressed above, that for some of these even maintenance of present demand would entail some price reductions, so that prices will tend to fall in relation to those of competing synthetic materials. The correction has, however, in most cases been limited to 5 to 10 per cent, the smaller decline relating to wool and the larger to cotton and other natural fibres as well as to natural rubber. For hides, a slightly greater reduction in their relative price was adopted.

It was stated above that prices of most conventional non-ferrous metals were relatively high during the period 1954-56 compared with the price of steel. Subsequently, prices have fallen considerably. It has been assumed for the present purpose that copper, lead, zinc and tin prices will recover, although not fully, to the 1954-56 price relationship with steel. In the case of steel (iron ore), aluminium, nickel and certain other metals and ores relative prices have been assumed to remain unchanged.

While the adjustments made for agricultural commodities and metals are rather minor and mostly in the downward direction, the compensating change in the other direction is an assumed increase in fuel prices over the next twenty years. The basis for this is the slow expansion in coal production, the rising costs of developing hydropower and the resulting pressure on petroleum resources with rising costs of prospecting. If technological promises for the production of cheap hydrogen power should materialize during the period, the situation would of course be entirely different. For the purpose of the present study this eventuality has not been taken into account.

Apart from the above-discussed adjustments of the existing price structure, the regional distribution of the industrial countries' imports from primary exporters has been based on the projected import volumes for individual commodities and the 1954-56 country and commodity structure of the industrial countries' imports of these commodities. In making a consolidated picture of the imports into the industrial countries as one area (thus excluding trade between western Europe and North America) it was, however, necessary to depart from the existing trade structure. As is shown in Table 6, imports of several commodities into these two parts of the consolidated area consisted in 1954-56 overwhelmingly of intra-trade between them; but the figures for 1975 take into account that both areas are becoming increasingly dependent upon imports from third markets.

By and large, the projection of the regional pattern of the industrial countries' imports from primary exporters emerges mechanically from the 1954-56 pattern, the calculated changes in imports of individual commodities, and the adjustments in the price structure. The problem of whether the different areas will in fact be able to supply the commodities has not been tackled, and the question to what extent preferential treatment accorded to affiliated overseas countries and territories under the Common Market Treaty will have an influence is discussed in the following section.

As could be expected, overseas areas whose exports consist largely of petroleum and metals are shown to expand their exports to the industrial countries particularly rapidly. The last columns of Table 7 show that dollar Latin America, western European dependent overseas territories (in particular the British, Dutch and Belgian) and certain countries in Asia (mainly the independent Middle East petroleum countries) would double their export earnings between 1954-56 and 1975 according to the higher hypothesis for western Europe's gross national product. For other areas, the expansion is appreciably lower. This applies not only to non-dollar Latin America (exporting chiefly food and crude agricultural materials) and the overseas sterling area (although the latter contains certain mineral exporting countries such as Rhodesia), but also to eastern Europe. While all the projected values in Table 7 are liable to be changed by the development of new resources, etc., the figures given for imports from eastern Europe contain an additional uncertainty. While current trade with eastern Europe is relatively low, this area has potential resources of commodities which are needed in western Europe and North America.

In several other cases the results of the mechanical extrapolation of the projections for primary exporting countries could be proven out of line by determined efforts in these countries to direct their development policies along the lines which the projections of the industrial countries' future import pattern indicate. For example, India seems to have extremely unfavourable prospects if the calculation is based on the present pattern of its exports (fibres, hides, leather, textiles, etc.); but that country has one of the world's largest iron ore reserves, and the total demand for iron ore — particularly for rich ores in overseas areas — is likely to grow rapidly for many years to come.

Again, among the western European dependent overseas territories, the French and the Portuguese territories have decidedly poor export prospects if one is to judge by their present export structure; but in both areas there is the promise of expanding output of petroleum and of several minerals.

3. THE IMPACT OF WESTERN EUROPEAN ECONOMIC INTEGRATION[20]

Effects on the Rate of Expansion in Western Europe

The problem of the effects of the Common Market and of a possible Free Trade Area upon the volume and structure of western Europe's trade has two principal aspects. One concerns the degree to which these arrangements will cause diversions of trade, involving both an increase in intra-western European trade in relation to trade with other areas and a shift in the origin of western European imports to countries and territories affiliated with western Europe and away from other areas. The other aspect concerns the way in which, and the degree to which, the establishment of the Common Market — and possibly of a Free Trade Area also — will affect the growth of total demand and output in western Europe. As the experience of both the inter-war and post-war periods shows, there is a tendency for discriminatory arrangements to gain in relative importance, and to increase their trade diversionary effects, in periods when economic activity stagnates or grows only slowly. For this reason, the primary question is in what direction, positive or negative, the Common Market and a Free Trade Area may be expected on balance to affect economic growth in western Europe.

Two principal ways may be distinguished in which the arrangements for western European integration may influence the rate of expansion: through their effects firstly, upon technical and managerial productivity and, secondly, upon the flow of total effective demand. As has been said before,[21] it is to be expected that the removal of trade barriers in western Europe " will be of advantage to the participating countries. They will benefit from the encouragement given to a concentration of resources in each country on output of those goods that it can produce at least relative costs, and also from the economies of scale which should be achieved as production in some industries develops in the larger units likely to become economic in the Common Market of 160 million people — or in the still larger single market of about 240 million which would be formed if all the industrial countries of western Europe joined the Free Trade Area." Further, in anticipation of the effects of the Common Market upon imports of manufactures from the United States, firms of that country are now placing direct investments in the six countries on a considerable scale, and it is likely that they will continue to do so. This inflow of capital strengthens the balance-of-payments position of the six countries, and will lastingly contribute to a higher level of productivity; and it is to be expected that the members of the Common Market will be increasingly interested in attracting capital.

On the other hand, the extent of the gains in productivity resulting from the Common Market may be limited by the special position given to agriculture in the integration plans. It is hardly subject to doubt that agriculture has been, and still is, the major field within the western European economy where price and income support policies, tariffs and quotas and other restrictions on competition have retarded the process of adjustment towards a more rational allocation of resources,[22] and where increased competition and international specialization — within western Europe as well as between western Europe and other areas — might lead to substantial productivity gains, though at the risk of considerable short-run dislocations and of losses to part of the farm population of western Europe.

The articles of the Rome Treaty relating to agriculture raise particularly difficult problems of interpretation. According to article 38, the Common Market shall extend to agriculture and trade in agricultural products, but the development of this Common Market must be accompanied by the gradual establishment during the transitional period of a common agricultural policy (article 40). Though its formulation is left to the future, it would appear from the — not easily reconciled — purposes enumerated in article 39 that this common policy will serve to co-ordinate and further develop the various measures of protection and state control currently being applied by member states, and that the establishment of an essentially liberal system of agricultural trade and production is a rather remote possibility. To judge from the negotiations which have so far taken place, the position will in this respect be substantially the same in any Free Trade Area that may be established. It should therefore not be taken for granted that in the agricultural field the Common Market and a Free Trade Area will realize the advantages to be gained from an adjustment of national production patterns to comparative costs. In so far as major benefits in the form of more rapidly rising productivity in western European agriculture result from the integration plans, this may mainly be the consequence of an acceleration of general economic activity hastening the migration of labour from agriculture to other lines of production.

---

[20] This subject was dealt with at length in the *Economic Survey of Europe in 1956*, Chapter IV. The present section is therefore limited to those aspects of the problem where, in the light of such information as has since become available, further discussion would appear useful.

[21] *Economic Survey of Europe in 1956*, Geneva, 1957, Chapter IV, p. 17.

[22] See *Growth and Stagnation in the European Economy*, ECE, Geneva, 1954, Chapter V; and FAO and ECE, *European Agriculture, A Statement of Problems*, Geneva, 1954, Chapter III.

Progress towards the establishment of the Common Market and a Free Trade Area will increase the economic interdependence of the member countries. The gradual abolition of tariffs and other restrictions on trade among members, as well as other developments both within and outside the economies of the members, must during and after the transition period be expected to affect differently the balance-of-payments positions of individual countries. It will then be very important to ensure that balance-of-payments difficulties which are due to causes other than an inflationary pressure of excess demand are not tackled through a contraction of total effective demand, which would cause an undesirable decline in employment and output.

Broadly speaking, the last few years have witnessed a tendency, accompanying the liberalization of western European trade, to remedy balance-of-payments strains indirectly through contractionary credit and fiscal policies, even in cases where they were not largely due to internal inflationary pressures. The establishment of the Common Market and a Free Trade Area could further strengthen this tendency. The Treaty of Rome (article 31) obliges members to refrain from introducing any new quantitative restrictions on trade among themselves, though this obligation applies only to the level of liberalization reached in application of the decisions of the Council of the Organization for European Economic Co-operation of 14 January 1955;[23] and in articles 32 and 33 the gradual abolition of quotas on trade among members is prescribed, as is the abolition of restrictions on invisible transactions. Though formally the treaty leaves scope for the application of more severe restrictions on imports from non-members than from members, it will be apparent that great difficulties will be encountered in attempts to discriminate in this way, quite apart from the question of the consistency of such a procedure with the obligations assumed under the General Agreement on Tariffs and Trade.

The trade between the countries which are members of the Common Market is a very large share of their total trade. For this reason, restrictions applied only, or primarily, to imports from third countries are likely to be a relatively ineffective means of economizing foreign exchange. Furthermore — and this applies even more to a Free Trade Area including the United Kingdom, than to the Common Market — imports from third countries will consist largely of primary goods, the imports of which cannot be restricted severely for any extended period of time without serious consequences to the domestic economy of the restricting country itself. Thirdly, if a member restricts its imports from third countries, but does not correspondingly intensify its restrictions on imports from other member countries the technical effectiveness of the restrictions will be considerably weakened, because trade with the other members may act as a loophole through which imports from third countries can enter the market of the restricting country.[24] To some extent this is so even if the restricting country is able effectively to determine the origin of imports. In some cases, commodities originating in other member countries may substitute for imports from non-member countries in the market of the restricting country, while in the other member countries, an opposite substitution takes place.

Thus, if quantitative import restrictions are to be an effective means of safeguarding the balance of payments under the Common Market and Free Trade Area arrangements, they will either have to be applied against third countries and other members alike, or they will have to be used only by the member countries in common against all non-member countries. The second alternative may well be suited to deal with payments difficulties affecting all members, but not with an imbalance confined to one or a few members. The conclusion seems to follow that under the Rome Treaty, the use of import restrictions to safeguard the balance of payments, though not excluded, can play only a minor role. It is evident, also, that if one or several members were to rely frequently and extensively upon import restrictions, this would negate the ultimate purposes of the Common Market.

As a compensation for the narrowing of the scope for the use of trade restrictions, the treaty (article 108) foresees the granting of mutual aid — in particular limited credits — and, in the transitional period, the aid may also take the form of special reductions in tariffs and increases in quotas to benefit the member in difficulties. It is not at the present time possible to form any judgement on the eventual effectiveness of these potentially important provisions. In any case they could provide only a temporary, though valuable, supplement to measures of a more lasting effect.

There can be little doubt, therefore, that the members will face a difficult problem in conforming to article 104 of the treaty, which requires that policies shall be pursued which ensure balance-of-payments equilibrium, whilst at the same time ensuring high levels of employment and stable price levels. Changes in the balance-of-payments position of a country will automatically exert a certain corrective effect if not compensated through policy action. In a country experiencing a deterioration in its payments position, an increased share of the total flow of incomes is diverted to abroad and domestic liquidity tends to fall. If domestic policies, which tend to correct the external imbalance at the cost of a decline in employment and general activity, are then deliberately adopted in the deficit country while, as has frequently been the case in the past, the surplus countries do not expand domestic demand as rapidly as their improved balance-of-payments position allows them to, the net effect will be a decline in activity in the member countries as a group.

---

[23] Articles 108, 109 and 226 open the possibility of further intensification of restrictions on imports from other members in exceptional cases.

[24] The other members may, however, be directed to take steps to prevent such diversion of trade (article 108).

The rules of the Common Market, and such arrangements as may be made in a Free Trade Area, may, however, limit the possibilities open to an individual country to pursue an independent credit policy. The Treaty of Rome foresees the establishment of a common capital market. Provided that such a capital market functions effectively, both for short-term and for long-term flows, the control exerted by the central bank in each member country over domestic monetary conditions will be weakened. As soon as the central bank of a member attempts a restriction of credit — for instance, through open market operations — the rise in interest rates within the country will call forth an inflow of capital from the other countries. Thus, the effects of the credit policy pursued by each central bank will be diluted by spreading to the whole area and have a relatively small effect on the country itself.

It may, of course, happen that the central bank of one member achieves a dominating position by virtue of the larger financial resources of that country. Such an outcome could be considered probable in the Common Market as constituted at present, where about two-fifths of total savings arise in western Germany, even though France accounts for close to a third. In a Free Trade Area composed of the six countries of the Common Market plus the United Kingdom and other countries, it seems much less probable that any single central bank could exert a dominating influence.

A decrease in the ability of individual western European central banks to enforce their credit policies might result in a greater stability over time in conditions in money and capital markets. But though fluctuations in interest rates and other conditions of credit may become smaller, they need not otherwise conform to a more rational pattern.

Such a limitation of the effectiveness of central bank policies would be paralleled by an increase in the automaticity in the monetary systems of the member countries. If capital moves freely amongst the countries and one member suffers a deterioration in its balance-of-payments position on current account, capital will automatically flow in from the other countries, called forth by a rise in interest rates in the receiving country relative to their levels in the other countries. This change in the conditions of credit will affect activity. If the deterioration in the foreign balance of one member is compensated by an equal improvement in the others, total activity in the group may change little. But if the members as a group suffer a deterioration in their foreign balance, such compensation takes place only in part or not at all, and total activity in the area will be dampened in consequence of tighter credit. The situation will, in fact, prove unsatisfactory in respect of the relations of the members both among themselves and with the outside world.

The Rome Treaty calls for co-operation among the members' competent administrative departments and central banks and for the establishment of a monetary committee — but only with consultative status. Whether these arrangements will prove satisfactory — or whether the establishment of one central bank for the area as a whole would be required to make them so — it would be premature to judge. The outcome will depend very much, *inter alia*, upon the degree of freedom with which capital moves amongst the member countries. As for credit policy, a problem of co-ordination will arise in the field of taxation and public expenditures.

The establishment of a central monetary authority, however, would not in itself be sufficient to ensure the two purposes of balance-of-payments equilibrium and high levels of activity. If the foreign balance of one member deteriorates because, say, of unfavourable developments in its export markets, and this deterioration shows mainly in transactions with the other members, it will be a poor consolation for the deficit country that a decline in its activity is matched by a rise in that of the others. A migration of workers out of the country where activity has declined into another may by no means provide a rational solution. Therefore, though the general desirability of stable exchange rates is not in dispute, it is essential that a more than temporary disequilibrium between the members of the Common Market can be met through an adjustment of exchange rates,[25] and that this possibility is kept open even if, at a later stage, an effective central monetary authority is established. At the same time it should be realized that if, during the transitional period, cost levels have been adequately adjusted both as among members and between the group of six and the outside world, the need for exchange rate adjustment will in the ordinary course of events arise only at long intervals, and the changes required are likely to be moderate.

---

[25] Though the Rome Treaty requests each member to treat its exchange rate policy as a matter of concern to all members, it hardly appears to interfere decisively with the autonomy of its members in this field.

The establishment of a common labour market among the six countries may have a considerable impact on developments in the monetary field. The trend in money wages has been an important factor motivating the contractive monetary policies adopted in several western European countries in the recent past. Increased mobility of labour amongst the markets of the six countries may serve to prevent widely diverging movements in wage levels[26] and possibly also to abate the upward push of money wages on prices.[27] If this proves to be so, the problem of ensuring high levels of activity, and at the same time equilibrium in payments within the Common Market as well as between the six countries and the outside world, may be eased considerably.

Whereas there is little doubt that the establishment of the Common Market will to some extent accelerate the rise in productivity in industry, it is not possible to draw any very firm conclusions regarding the effects on levels of effective demand and activity. A number of factors have, however, been pointed to which will tend to promote economic growth directly or indirectly by strengthening the balance of payments of the six countries as a group and thus widening the scope for expansion. In the latter respect, not the least important factor will be the high degree to which the integrated economies of the Common Market countries — and even more those of a Free Trade Area, if it comes into being — will, by their sheer size, exert an influence upon economic conditions and activity levels in the rest of the world. The advantages which the members of the Common Market or a Free Trade Area may expect to gain from an improvement of their terms of trade vis-à-vis other countries will probably, however, prove relatively minor.

Thus, it appears probable that the Common Market and a Free Trade Area would tend to improve the basis for economic expansion provided that disequilibrium between members is dealt with effectively. In this respect, the way in which a solution is sought to the immediate dual problem of the French payments deficit and the western German surplus will be of paramount importance.

The Diversion of Imports of Primary Goods

The trade diversion effects of the Common Market, as far as imports from primary producing countries are concerned, would result mainly from the provision for duty-free imports into the area from the associated overseas territories of the six participating countries and the application of a common tariff duty to imports from third countries. For most commodities where trade diversion may prove important, the Common Market countries take the bulk of total exports from the associated areas, the share going to other markets generally being below one-third. Even so, for none of the relevant commodities do exports from the associated areas cover more than about half of total supplies to the six countries, and, though this proportion may rise, the Common Market countries will in the foreseeable future continue to rely upon third countries for part of their imports. It will, of course, be to the advantage of the affiliated areas to concentrate their exports further upon the Common Market countries, since in this way they should in principle be able to obtain a price exceeding the world market price by the amount of the Common Market tariff.[28]

If production in the associated territories were not to change, any loss which producers outside these areas suffered through a reduction in exports to the Common Market would be compensated by a decline in competing exports to third markets from the associated areas. However, the advantage of duty-free exports to the Common Market may be expected to stimulate production in the associated areas. The rise in production may be reinforced through investment of western European capital, which may, of course, extend to products which will not be protected by the common tariff. Outside suppliers will suffer a loss from the rise in competing production; but to an unforeseeable extent the loss may be offset through an additional rise in demand due to a more rapid over-all rate of growth following economic integration.

Commodities which are to be given a high degree of preferential treatment, and for which the natural conditions existing in the dependencies of the Common Market countries make possible a large expansion in production, mainly comprise a few tropical or semi-tropical products such as coffee, cocoa, bananas, citrus fruit and tobacco. Imports of these products from third countries will face *ad valorem* tariff duties ranging from 15 to 30 per cent, except for cocoa, on which the agreed rate is 9 per cent. The associated territories of the Common Market countries supply a substantially larger share of imports into the area of bananas and cocoa — about one-half — than of the other three commodities. Imports of tobacco from the French territories to France account for practically the whole of the associated territories' shipments to the area, but for no more than 10 per cent of total Common Market imports from all sources.

---

[26] On the other hand, efforts to push the standardization of working conditions too fast and too far may create a serious lack of balance between regions and countries of the Common Market.

[27] If wage negotiations continue to be conducted on a national basis and not for the entire Common Market area, a more important influence may be stiffer employer resistance to wage demands, owing to increased difficulties in shifting higher costs to prices.

[28] It is possible that the associated territories may wish to maintain their positions in some of the third markets, and especially in the United States. The United States market is particularly important for coffee: nearly the total of associated areas' coffee exports to third countries, or about one-third of their coffee exports to all sources, goes to the United States.

The magnitude of the diversion which may take place in the imports of these commodities will be determined not only by the level of duties to be imposed on third country supplies and the present share of these areas in the imports of Common Market countries, but also by the ability of the associated territories to supply the particular variety and quality of product suiting the tastes of Common Market consumers. For citrus fruits, bananas and cocoa, the question of quality and type appears to be a less important factor than in the case of the other two commodities.

Climatic and soil conditions limit coffee production in African territories largely to the Robusta variety, which except in France and to a lesser extent in the Netherlands is not in great demand in Common Market countries. The demand for African coffee may expand with the greater consumption of soluble coffees which can be manufactured with larger proportions of Robusta coffee than are used in ordinary blends. It is reasonable to expect, however, that the demand for Arabica coffee, which is superior in flavour and aroma, will remain strong — given the rise in consumers' incomes to be expected in the Common Market countries as well as elsewhere in western Europe — and that these requirements will continue to be met largely by Latin American producers.

Similar considerations are of some importance for tobacco also. Cultivation is at present limited almost entirely to French dependencies and concentrates on dark air-cured and fire-cured tobaccos which are little in demand in Common Market countries other than France. Climatic and soil conditions in these territories are not, however, important obstacles to a shift in production to the flue-cured American types of tobacco demanded in Common Market countries. Requirements of lower-grade varieties of these tobaccos may increase considerably in the future with a shift in consumers' tastes favouring filter-tip cigarettes.

The impact of an expansion in supplies from affiliated territories would vary a great deal from one product to another. Western European countries might suffer from a switch of sources of imports of citrus fruit (Spain) and tobacco (Greece and Turkey) while Ghana, Nigeria and Brazil would be the areas most affected as far as cocoa is concerned. Producers in Latin America and in sterling countries in Africa would be most affected by switches of purchases of coffee, and for bananas the gain made by affiliated territories is likely to be at the expense of Latin American producers.

The extent to which individual traditional suppliers to the six Common Market countries may suffer from the preferential treatment extended to the associated territories depends on how the common tariff compares with the existing duty in the Common Market country which constitutes the most important market for the individual supplying area. An interesting illustration of this is provided by western German imports of bananas. Ecuador, Colombia, Guatemala and Honduras rely on the western German market for more than 80 per cent of their banana exports to the Common Market area. These shipments, which at present enter western Germany free of duty, will be subject to a 20 per cent tariff with the establishment of the Common Market. To mitigate the effects of tariff increases of this magnitude some compensation is, however, offered in the form of duty-free quotas for imports from third countries.

In general, the common tariff is intended to approximate to the arithmetic average of existing tariffs in the six countries. If account is taken of suspensions and concessional rates, however, the agreed tariff is found to be higher than the arithmetic average of rates currently applied to some commodities, and this is true in particular of cocoa and tobacco.[29] Existing rates tend on the whole to be lower in the Benelux countries than elsewhere in the Common Market area, and it would appear that the trade diversion effect — at least as far as imports into the area from primary producing countries are concerned — may be less important than if the agreed rates had been established as weighted rather than arithmetic averages. The impact on demand in the Common Market area of the changes in tariffs remains uncertain in view of the fact that member countries are free to increase internal taxes to offset any financial losses resulting from the introduction of the new uniform duty.

It is worth noting that the most important effect of the new tariff system on non-associated primary producing countries will be felt through commodities which are particularly sensitive to improvements in consumers' incomes in industrialized countries. Latin American and other non-privileged suppliers should benefit from a relatively rapid increase in consumption and demand in North America and in non-member European countries. The dislocation of imports of other agricultural commodities from primary producers may not be important. Some, such as cotton and oilseeds, are to be duty free irrespective of area of origin; for others, such as grain, the tariff adjustments are moderate and cannot be expected to change the pattern of imports. The common tariff on dairy produce ranges from 15 to 25 per cent; but the manner in which the different internal policies in the six countries are to be integrated, which is a major factor determining the effects of the Common Market on non-member exporters, has not as yet been determined. For meat, government import controls are of considerable importance and will probably continue to remain so even with the Common Market. In any case, it seems likely that exports of livestock products from primary producing countries may suffer more from an expansion of production within the Common Market area than from a shift in imports towards the affiliated areas.

---

[29] Cocoa, for which the agreed rate amounts to 9 per cent, enters free of duty at present in all the Common Market countries other than western Germany, where it is subject to a 10 per cent duty. The 30 per cent tariff to be applied to imports into the Common Market of tobacco from third countries is considerably higher than the rates currently applied in western Germany and the Benelux countries, and Italy and France admit tobacco free of duty.

The pattern of imports of raw materials and fuels seems unlikely to change greatly as a result of the formation of the Common Market. The expansion of metal imports from the affiliated areas, which has been marked in recent years, may continue and, depending on the success of petroleum prospecting in the Sahara, these territories may become an important source of western European fuel supplies. But developments in these fields will not depend primarily on the establishment of the Common Market, unless it results in higher European investment in these industries.

In conclusion it appears that though trade diversion may considerably affect individual markets and exporters,[30] these effects are unlikely to be widespread and would furthermore be moderated if the Common Market, through an integration of economic policies, were to result in more rapid economic growth in western Europe.

If the Common Market were to be supplemented by a European Free Trade Area with which overseas sterling countries were associated, the impact would be felt on most commodities for which western Europe is dependent on overseas sources of supply, with a few exceptions such as rubber and tea. Again, the net effect upon outside suppliers would largely depend upon the balance between the expansion of production in the associated areas and any additional rise in western European demand which might be imputed to accelerated expansion induced by economic integration.

---

[30] The impact of the Common Market upon non-member countries in western Europe and upon East-West trade was discussed in the SURVEY for 1956, Chapter IV, pp. 18-20; the possible effects on East-West trade are also briefly referred to in Chapter VI of this SURVEY.

4. IMPLICATIONS OF THE CHANGES IN TRADE PATTERNS

The projections of western Europe's imports have for both of the gross national product hypotheses I and II been based on the assumption that the growth of imports would not be impeded by restrictive policies induced by balance-of-payments difficulties.

The assumptions regarding the rise in western Europe's gross national product, on which the import projections have been based, do not include any specific projections of the growth in western Europe's exports and other earnings from abroad, and it therefore becomes a separate question in what direction the western European balance-of-payments would be apt to change in consequence of the assumed rise in GNP and the related growth of imports. As has been shown in section I of Chapter IV, the industrial countries exert a dominating influence upon the course of world trade, and therefore the strong currencies in world trade will as a rule be those of the major industrial countries. Conversely, if an industrial country or area — in this case western Europe — incurs persistent balance-of-payments difficulties, in consequence of a high level of activity, these will be experienced primarily in relations with other industrial countries or areas. In that case the dollar would tend to become a scarce currency.

On the other hand, even if developments should be such as not to create any serious strains in western Europe's balance of payments, this does not imply that world trade and payments in general will be easily balanced. As is shown below, there is a strong probability that several primary exporting countries, accounting for the larger part of the population in this group of countries, will experience severe balance-of-payments strains, which will only be relieved either by large-scale exports of capital to these countries or by the renunciation or drastic scaling down of their economic aspirations.

Western Europe's Balance of Payments with North America

The global figures in Tables 3 and 7 above would not appear to indicate any weakening of western Europe's payments position vis-à-vis that of North America. Even if over the twenty-year period from 1955 to 1975 the gross national product of western Europe doubles as against an 80 per cent rise for the United States and Canada, the volume and value of North American imports are projected to rise at about the same rate as those of western Europe. Under hypothesis I, where western Europe's GNP rises by only 60 per cent, the volume of its imports expands at less than half the rate of North America's. Thus, it should be perfectly feasible for western Europe to increase its exports sufficiently to maintain or even somewhat improve its external balance. A more detailed inspection of the tables, and other information, tend to confirm this provisional conclusion.

By the middle of the 1950s, western Europe's annual trade deficit with North America amounted to about $2.2 billion. With the United States the western European deficit on goods and services (excluding United States military expenditure in western Europe) amounted to close to $1.5 billion. Imports from the United States were about $4.3 billion[31] against exports of $2.5 billion, and $400 million of the trade deficit was covered by a net surplus on account of services. The remainder was more than covered by United States military expenditure. If this expenditure should disappear during the period covered by the projections, how could western Europe's current account balance with North America be expected to develop on the assumptions applied in the present study?

The projections in Table 7 show only a moderate rise from 1955 to 1975 in the trade in foods, raw materials and fuels between North America and western Europe, with, under hypothesis II, an increase in western Europe's deficit in this trade. A large part of the trade in both directions is in manufactured products for which no attempt at projection proper would appear fruitful. It is, however, interesting to note that, neglecting intra-area trade, the share of western Europe in total North American imports was almost exactly the same in 1956 (about one-third) as that of North America in western Europe's imports, but that more than 55 per cent of the rise from 1952 to 1956 in North America's imports came from western Europe, whereas only 40 per cent of the increment of that area's imports originated in North America — and this share would have been appreciably smaller had it not been for a number of special factors causing high imports of various foods, raw materials and fuels from the United States in 1956. Western Europe's imports from the United States of most manufactured products rose only moderately — or even declined in some groups — reflecting the increasing availability of competitive western European output and also the continuation of import restrictions in several countries. The likely effect of the Common Market and a western European Free Trade Area would be further to decrease the relative amount of imports of manufactures from North America except probably for certain types of capital equipment.

On the other hand, the expansion of western European exports to North America has been very rapid between 1952 and 1956. In volume terms, exports to the United States increased by 70 per cent. Exports of consumers' goods more than doubled in that period, and, as already pointed out, exports of motor vehicles also made great headway. Future developments will, of course, depend very much upon the trade policies adopted, especially by the United States. Barring major reversals in this field and assuming active trade promotion, it can be expected that western Europe's exports of manufactures to North America may grow more than in proportion to national income in that area. This expectation is supported by a number of special studies on the subject.[32]

Western Europe's net earnings on account of invisibles have risen in recent years, but the rise may in the future slow down or even be reversed as United States income from direct investments in western Europe expands. It is probable, however, that a large part of the profits on direct investments will be reinvested in western Europe, which may also expect, in a favourable economic climate, to receive a continued inflow of new capital — though this would to some extent be balanced by an increased outflow of western European capital if exchange restrictions were to be further relaxed. On the basis of these considerations it seems reasonable to suppose that western Europe could by the 1970s have achieved balance in its direct transactions with North America on account of goods and services and private capital.

If this were not achieved, however, there would still remain the possibility of a western European surplus with countries with which North America is in deficit. As regards those primary exporting countries whose exports will increase only slowly, it may be assumed that western Europe will have only small possibilities for earning dollars in triangular trade through export surpluses. It is mainly trade with other primary exporting countries — notably the mineral and petroleum exporting countries in Latin America — that may give rise to export surpluses which can be used in settlement of a deficit with North America. As can be seen from the projection of North American import demand in Table 7, imports from Latin American countries, and, among them, from dollar countries, are assumed almost to double. These imports would consist overwhelmingly of petroleum, coffee, iron ore and certain non-ferrous ores and metals. Imports from other regions increase more slowly, except in the case of natural rubber and wool for which a more significant expansion of North American imports is projected.[33]

---

[31] 1954-56 average. Special factors raised western Europe's imports to an exceptionally high level in late 1956. Adjustment for this would not, however, reduce the average for 1954-56 more than to $4.1 billion or $4.2 billion.

[32] J. H. Adler, E. R. Schlesinger & E. van Westerborg, *The Pattern of United States Import Trade since 1923*, Federal Reserve Bank of New York, 1952; T. C. Chang, *Cyclical Movements in the Balance of Payments*, Cambridge, 1951; Ta-Chung Liu, *The Elasticity of United States Import Demand*, International Monetary Fund Staff Papers III, 1954; H. Neisser, F. Modigliani, *National Income and International Trade*, Urbana, 1953.

In 1954 to 1956, western Europe incurred a trade deficit with Latin America averaging (on a f.o.b. basis) $270 million annually. This was the net result of a trade deficit of $430 million in trade with non-dollar Latin America and a surplus of $160 million with dollar Latin America. Since western Europe had a considerable net surplus on current invisibles, it was probably in surplus on total goods and services with the whole of Latin America, and certainly with dollar Latin America. The trade projection shows a large rise in Latin America's import capacity, due overwhelmingly to a rise in exports to North America. If it is assumed that western Europe will be able to retain its share in the imports of Latin America, it will on the two GNP hypotheses maintain or improve its trade balance. In recent years, western Europe has in fact increased its share in Latin America's imports somewhat, whereas that of North America has declined.[34] Thus, though North America is a far larger supplier of imports into dollar Latin America than is western Europe, the latter area accounted for almost as large a share as did North America (42 per cent against 47 per cent) of the increase from 1952 to 1956 in dollar Latin America's imports.

To make further inroads in these markets, western European exports would have not only to become more competitive as to price, quality and delivery times, but also to overcome the special advantages of the United States in Latin American markets arising from geographic proximity, firmly established trade contacts, and the trade orientation resulting from large United States private investments in those areas. In fact, the special advantages enjoyed by United States exporters may well increase in importance in the future as United States imports from, and direct investments in, Latin America expand. To retain their share of the Latin American market, western European exports may therefore have to become appreciably more competitive in other respects. Nevertheless, an expansion of western Europe's exports sufficient to produce an appreciable payments surplus with Latin America, and especially dollar Latin America, should not prove impossible to achieve. In markets outside the western hemisphere, from which North America's imports are projected to increase only moderately, there would be smaller scope for western Europe to earn dollars through multilateral trade, though, on the other hand, in most of these markets, western European, rather than United States, exports are favoured by special advantages in the form of traditional trade contacts, etc.

It would appear that serious western European balance-of-payments difficulties in the form of a dollar deficit are not a very probable prospect. This conclusion is, of course, a strictly hypothetical one, and it would be entirely different on the assumption, for instance, of an appreciably smaller rate of increase in North America's gross national product. Moreover, a great many highly relevant factors have been left entirely outside the discussion. Thus, the introduction of the assumption of a tendency for money wages to rise much more rapidly in western Europe than in North America without changing any of the other assumptions — if this were possible — would be enough to change the conclusion completely. It would not be feasible to go into this[35] and similar aspects of the question in the present study.

The Rate of Expansion and the Balance of Payments

So far, little reference has been made to any implications of the difference between the alternatives of GNP hypotheses I and II for western Europe's external balance. It is a fact of common observation that in the short run an increase in a country's or area's economic activity in which rising exports do not play a leading role tends to cause a deterioration in its balance of payments, primarily through a rise in imports. This will not necessarily apply to long-run developments, and it should not be taken for granted that hypothesis II implies a more difficult western European payments position than does hypothesis I.

Hypothesis II shows larger imports into western Europe of foodstuffs and raw materials than does hypothesis I, not only in absolute terms, but also in relation to gross national product. Imports of other goods would be expected to move even more strongly with GNP. Their share in total imports from other areas is, however, small. Under the two hypotheses, western Europe's total imports from the outside world may be put at some $25 billion and $32 billion, respectively. Thus hypothesis II would require a much larger expansion of western European exports to achieve balance-of-payments equilibrium than would hypothesis I. But since under hypothesis II the world economy, and thus western Europe's markets, would be more rapidly expanding, it does not follow that equilibrium would be more difficult to attain. Western Europe's exports would have to be more competitive with North America's than under hypothesis I ; but the lower level of their relative prices might be matched, or more than matched, by the more rapid growth of productivity under hypothesis II, so that real wages in western Europe relative to those in North America would not necessarily be lower than under hypothesis I.

---

[33] It should be noted that trade between the United States and Canada is not included in the estimates. Trade between these two countries could be expected to increase very rapidly and this applies, in particular, to United States imports of aluminium, nickel, iron ore and petroleum.

[34] 1957 would appear to have witnessed some reversal of this tendency.

[35] The possible impact of the Common Market on the course of money wages in the member countries is dealt with briefly in section 3 above.

The rate of expansion in the western European economy may be expected to affect the prices of western Europe's exports in relation not only to those of North America, but also to prices of primary goods upon which the North American market exerts a strong influence.

Further, a continued high rate of expansion in western Europe will result in a strong reduction in the farm population which may raise wages and also prices in agriculture in relation to those in industry. Exporters of competing agricultural products might benefit from this change in relative prices.

An increase in the export proceeds of the non-industrial countries would tend to act cumulatively by increasing the resources available to these countries for promoting their economic development. However, even with a very rapid expansion in the industrial countries the rate of growth of their imports from the agricultural exporters would be quite low, and any cumulative effects might rather appear in the form of a growing demand from the semi-industrialized countries for food and, more importantly, for raw materials for their expanding industries.[36]

The difference between the levels of relative prices of primary goods under hypotheses I and II could hardly be assumed to be so large as to affect the broad features of the picture outlined;[37] nor is any statement implied to the effect that prices would on the whole be more favourable to primary exporters than they are at present.

Trade between Industrial and Primary Exporting Countries

Though the margins of error in viewing developments twenty years ahead are necessarily great, a careful weighing of the available evidence suggests that the commodity composition of the industrial countries' imports from primary exporters would, by the end of the third quarter of this century, be vastly different from that during the nineteenth and early twentieth centuries, when agricultural products accounted for more than 90 per cent of the trade in primary exports.

In the trade between the industrial and primary exporting countries, two broad tendencies observed over the last few decades would continue to operate.[38] These tendencies are a slower growth in the volume of imports from primary exporters than in the real product in the industrial countries and concentration of most of this growth on imports of mineral and petroleum products. As noted in Chapter IV, a basic shift has already taken place in the commodity composition of imports into the industrial countries. Agricultural protectionism and the development of substitutes for a number of agricultural raw materials, combined with a low income elasticity of demand for basic food products, have led to a sharp decline in the share of food and agricultural raw materials in total imports into industrial countries. The corresponding rise in the share of mineral and petroleum imports has reflected the slow expansion of domestic output of metals and energy in relation to the growth of demand. This tendency is assumed to continue over the next two decades, the share of minerals and petroleum products rising from less than a seventh of western Europe's imports from primary exporters in the 1920s to between two-fifths and one-half of the total in the 1970s. The commodity composition of imports into the United States is expected to conform to the same pattern, although owing to the importance of coffee in food imports the decline in the share of agricultural products would be somewhat less pronounced than in western Europe (see Chart 1).

A fundamental shift of this character could hardly take place without having far-reaching implications for most of the exporters of agricultural products. During the last three decades, many agricultural exporting countries failed to increase the value of their exports, although the value of world trade more than doubled. This trend is likely to continue over the next two decades, thus seriously limiting the benefits to such countries as India, Pakistan, and Egypt of the expansion of world trade. The ensuing relatively slow growth in the import capacity of agricultural exporters, now accounting for 80 per cent of western Europe's exports to all primary exporters, will necessitate changes in the direction and composition of western Europe's exports and some consequent adjustment of the structure of output and investment.

In the early post-war period the problem of world payments equilibrium centred largely on the supply and demand for dollars. Against the background of

---

[36] See Chapter IV, section 4.

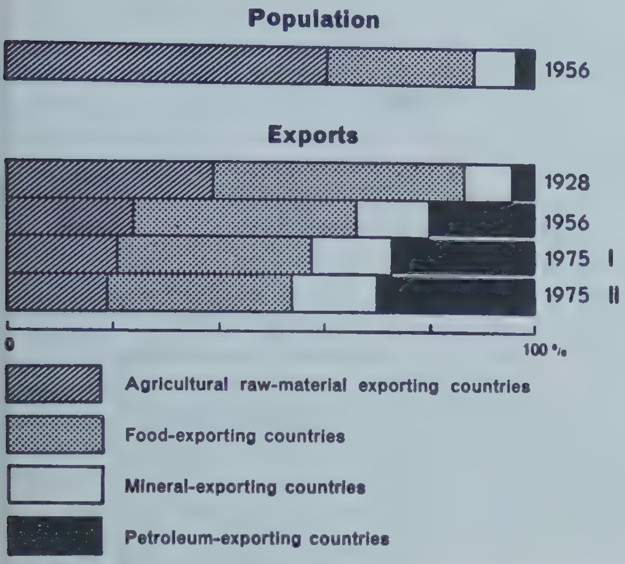
[37] In particular, it should be stressed that any loss which western Europe could be assumed to suffer on account of inferior terms of trade under hypothesis II would be insignificant compared to the gain from higher activity. The terms of trade loss could hardly be taken to exceed $3 billion — a figure of $1 billion to $2 billion would appear more reasonable — whereas the difference between western Europe's GNP under the two hypotheses amounts to almost $80 billion.

[38] See Chapter 4, sections 2 and 3.

CHART 1

Population and exports to industrial countries of the major groups of primary exporting countries

Percentages of totals for primary exporting countries



the depression of the 1930s and the experience of the first few post-war years, this was quite natural. However, as economic recovery and expansion have progressed in western European countries and their currencies have gained in strength, and as economic activity in North America has continued at high levels, it has become increasingly clear that the main dividing line between strong and weak currencies does not separate the dollar from the rest, but rather runs between the currencies of the industrial countries and a fairly narrowly circumscribed group of mineral-exporting countries on the one hand, and the major part — both of countries and of people — of the primary exporting countries on the other.

There is indeed a basic reason — founded in the economic structures of industrial and non-industrial countries — why this should be so. Though an industrial country may suffer from balance-of-payments difficulties which are persistent and fundamental in the sense of requiring an adjustment of exchange rates for the establishment of equilibrium, it is only in quite exceptional cases that an industrial country could be in fundamental difficulties in the sense that there would be no exchange rate which would allow both external equilibrium and a high and rising level of domestic activity. In a non-industrial, primary exporting country, on the other hand, such a situation of fundamental disequilibrium is not only easily imagined, but it is a fact of rather common occurrence. The principal reason for this is the frequent combination of a low elasticity of world demand for primary goods and the high sensitivity of the foreign balance of non-industrial countries to changes in internal effective demand. Typically, it is therefore particularly difficult for a non-industrial country to maintain external equilibrium when domestic activity expands or, conversely, to maintain or expand domestic activity in the face of contracting or stagnant export receipts. Those among the non-industrial countries whose foreign trade is quite low in relation to domestic output are in an especially difficult position because of the consequent narrow scope for changing the commodity structure of total supply. It is when seen against this background that the low rate of growth in the industrial countries' imports of food and agricultural materials has very serious implications for the exporting countries.

Even on the assumptions of hypothesis II, which by historical standards implies fairly high rates of expansion in the industrial countries, the annual rate of growth in the volume of their imports of agricultural products would amount to no more than some 1½ to 2 per cent, and for major commodity categories even less. A growth in the domestic output of the exporting countries at such low rates would in many cases not even allow the maintenance of per capita real incomes. Rates of growth of domestic output consistent with a significant rise in real income levels would thus imply a considerable discrepancy between the expansion of total demand and the growth of import capacity in so far as this depends on receipts from traditional exports.

It is true, of course, that an increase in the flow of domestic savings in the non-industrial countries would accelerate their economic growth and that important investments, primarily in infrastructure and agriculture, depend to a relatively small extent upon supplies from abroad. For instance, the recent experience of India illustrates that the expansion of food supplies plays a strategic role in the development process.

However, although the present distribution of income in several non-industrial countries may suggest that the upper income groups are capable of larger contributions to savings—both private and public—than they render at present, the total savings capacity of the non-industrial countries is clearly extremely small compared with the capital flow required to ensure economic growth. Further, though an increased food supply may be an indispensable pre-requisite for industrial development, it cannot be a substitute for it. Indeed, progress in agriculture and growth of industry are correlative parts of the development process, since agricultural improvement depends in great part upon the absorption by industry of the under-employment in agriculture. But the growth of industry in the non-industrial countries depends, because of the very one-sidedness of their economic structure, upon their capacity to import capital equipment from the industrial countries. Thus the slow expansion to be expected in the export proceeds of the major part of the non-industrial countries places a limitation on the rate of their economic development. Where foreign trade is already low in relation to national income, the deficient import capacity constitutes a most serious bottleneck for economic expansion.

For the bulk of the population of the under-developed areas exporting agricultural products other than coffee and rubber, the prospects of economic development following an expansion of their trade are very unfavourable indeed. A rise of 80 to 100 per cent by 1975 in the gross national product of North America and western Europe would probably lead to a rise of less than a half in their imports from the major agricultural exporters. Since the overwhelming majority of the population of the under-developed countries resides in these countries, their development at a rate faster than in the industrial countries constitutes the touchstone of success in narrowing international income disparities.

The case of India illustrates the dilemma faced by the countries whose export proceeds would not grow quickly and where the share of capital goods in total imports cannot be raised very much. A rise of 60 per cent in its real product would require a trebling of investment; a threefold increase in the volume of the domestic output of capital goods—now amounting to two-thirds of capital goods imports—would still necessitate imports of capital goods which would be at least a fourth higher than the total export proceeds it can expect to obtain. If it were to balance its external accounts at the present level of external assistance and try to implement a programme of economic growth, it would have to expand the domestic output of capital goods by over five times over the next two decades to attain a growth of 60 per cent in real product, by eight times for a 100 per cent growth and eleven times for the present official long-term perspective aiming at a 150 per cent growth.[39]

The Role of Capital Exports

The difficulties which for the major part of the non-industrial countries arise from the slow growth of their exports to the industrial countries may be viewed as a limitation upon the ability of the latter to play a leading role in the growth of the international economy.

Historically, the rapid growth of the now highly developed countries has rested not only upon the growth of their total labour force, but also upon the possibility of taking up slack in their economies, through the large-scale transfer of labour from agriculture to industry. In the United Kingdom, which before the First World War was the leading industrial country, the share of agriculture in the labour force had already been brought down to an exceptionally low level before the turn of the century, thus narrowing the scope for a further rise in the industrial labour force. Though an industrial economy may expand even with a stagnant labour supply, a rising labour supply admits and tends to induce more rapid growth. The international mobility of labour and capital was in the nineteenth and early twentieth centuries higher than at any time later. Through the very large flow of capital exports from the United Kingdom the expansion of the British economy was extended abroad, British capital being combined not only with British labour, but also with the excess supply of labour from other countries. To a very large extent this combination of British capital with foreign labour took place through the migration of both to overseas countries where they were combined with untapped natural resources. There is little doubt that if political or other conditions had prevented the export of British capital, the growth of the industrial countries as a whole would have proceeded at a much slower rate because of the relatively narrower scope for expansion within the British economy. The breakdown of the international capital market in the 1930s had the effect of making the expansion of the world economy much more closely dependent upon the scope for domestic expansion within the leading industrial countries. As the experience of recent years shows, a rise in the rate of world economic expansion may tend to create excess demand in the labour markets of the industrial countries while the labour markets of the non-industrial countries are still characterized by excess supply.

On the international level the case for a policy of economic expansion rests, *inter alia*, upon the possibilities of increasing world output through a reduction in the extensive under-utilization of labour resources to be found particularly in the primary exporting countries. The only practicable way of transferring these under-employed labour resources out of primary into industrial production is through the industrialization of the primary exporting countries, promoted by the export of capital from the industrial countries.

In the 1920s, the major industrial countries exported a substantial and rising flow of long-term capital mostly to industrial and semi-industrial countries. Total capital exports from creditor countries—as derived from estimated surpluses on account of goods, services and gold—amounted to an annual average of about $2 billion in the period 1924 to 1928. Of this total, the United States contributed probably one-third to one-half, and the United Kingdom and France each approximately half as much, and most of the remainder came from the Netherlands, Sweden and Switzerland.[40]

---

[39] *Second Five-year Plan*, Planning Commission, New Delhi, 1956, p. 11.

These capital exports were brought to an end by the great depression and even reversed into a heavy return flow to the major creditor countries, mainly the United States. Between 1930 and 1938, the inflow of long-term capital into the creditor countries amounted to an annual average of more than $700 million.

The difficulties of the immediate post-war adjustments in the structure of world trade and payments and, in particular, the emergence of the dollar problem, have been sufficiently described elsewhere.[41] The characteristic feature of capital exports in the post-war period was that they took the form mainly of funds supplied as loans and grants by governments — predominantly the United States and international institutions — and that this type of special financing largely replaced the floating of foreign bonds and equities in international capital markets.

A rough attempt to compare the size of capital exports from industrial countries in real terms in 1928 and in recent years suggests that real capital exports from western Europe and the United States more than doubled between the 1920s and 1955-56, the United States accounting for by far the larger part of the increase whereas United Kingdom capital exports declined. A large proportion of British post-war capital exports went to the overseas sterling area; but such amounts as were made available to that area were rendered possible, first, by loans and grants to the United Kingdom from the United States and Canada, and secondly, by the fact that, over a period of years, the dependent territories had increased their sterling balances, thus indirectly financing long-term capital exports to other sterling area countries. The accumulation of sterling balances has slowed down considerably in recent years and there is every reason to believe that this trend will continue. If this is so, and still more if there should be a drawing down of sterling balances by the dependent territories to finance their economic development, the continuation of gross capital exports even at their present level will require for its financing a growing surplus on the British balance of payments on current account.

It may be estimated that total capital imports into primary exporting countries in recent years were of the order of $3 billion annually. This represents a very substantial increase above the capital flow to those countries in the 1920s, and a shift in the distribution of capital exports towards primary exporting areas since before the war. Thus, for instance, the United States — the most important supplier of capital in the post-war period — has raised the share of its capital exports going to primary exporting countries from about 45 per cent in 1928 to over 60 per cent in recent years. There has also been a change in the distribution of United States funds among primary exporting areas. Whereas Latin America absorbed over 70 per cent of new issues on behalf of primary exporting countries in pre-depression years, this area has recently received about a fourth of capital exports, including unilateral transfers, going to all primary exporting countries.

An impression of the distribution of economic assistance given to primary exporting countries in the form of grants and long-term loans by other countries and international agencies can be obtained from the figures below:

	Assistance received in 1954-56	
	Annual rates in millions of US dollars	*Per head in US dollars*
Countries exporting mainly:		
Foodstuffs	267	1.1
Agricultural raw materials	437	0.7
Minerals	361	4.4
Petroleum	68	1.7

Source: Figures are derived from *Financing of Economic Development*, Report by the Secretary-General to the Economic and Social Council. The country coverage is incomplete, as dependent countries and territories are not included in view of the incompleteness of data on economic assistance from the respective metropolitan countries.

It appears, then, that the countries which have benefited least from expanding export earnings are also those whose per capita receipts of funds from governments and international bodies have been lowest, whereas the mineral- and petroleum-exporting countries have been better provided for.

The distribution of private capital exports was not and could hardly have been expected to be such as to compensate for the differences between the export experiences of various groups of primary exporting countries. Thus, almost half of total direct foreign investments by the United States in 1956, or about $1.1 billion, went to primary exporting countries. Out of this amount, almost 60 per cent was absorbed by the semi-industrial countries of Latin America and the overseas sterling area. The sector distribution reveals a high concentration of direct investment on petroleum production.

In some of the non-industrial countries whose exports have so far failed to share in the expansion of world trade the position may be partially remedied through the development of hitherto unexploited natural resources for which export potentialities are more promising. In the preceding sections a few examples were mentioned. But potentialities of this kind could not, of course, be expected in such quantity and distribution as to contribute decisively to the solution of the problem raised by the widening disparity between real income levels in developed and under-developed countries. For this, an increase in the volume and a change in the direction of the flow of capital from the industrial countries would be required. For a good many years private capital exports to the non-industrial countries can be expected to be of major importance only for the development of primary production, and they may thus tend to accentuate the inequalities arising out of differences in endowments of natural resources. International finance for investments in infrastructure and in manufacturing industries, which has so far been available only on a relatively small scale, will presumably be forthcoming — in the future as in the recent past — almost exclusively in the form of intergovernmental lending and loans from international institutions.

---

[40] See *International Capital Movements during the Inter-war Period*, United Nations, 1949.

[41] See, for instance, *Economic Survey of Europe since the War*, Geneva, 1953.

Though the additional annual capital exports to the agricultural exporting countries which would be required for their rate of growth to approach that in the rest of the world would be very large indeed, they would not — according to necessarily rough estimates — appear to exceed some $5 billion, or 1 per cent of the national income of the industrial countries combined. But even if the requirements appear moderate when expressed in this way they could not, in the near future, be expected to be met to any large extent through the export of private capital, though important progress might be made in this direction within a suitable framework established by agreement between capital exporting and importing countries.

ANNEX TO CHAPTER V

SUPPLEMENTARY INFORMATION ON THE METHODS USED IN PROJECTING WESTERN EUROPE'S IMPORTS OF PRIMARY PRODUCTS IN 1975

The discussion in Section 2 on the manner in which the estimates of western Europe's imports in 1975 have been calculated, is supplemented in this annex as follows:

(1) Tables V-A and V-B indicate the assumptions made and the results obtained in the calculations of western Europe's imports of those agricultural commodities which compete directly with indigenous production in the area. Table V-A gives the income elasticities of demand used in calculating consumption of the individual commodities. These elasticities have been derived partly from time series on per capita consumption and income in OEEC countries during the period 1950 to 1955 and partly from inter-country comparisons for the year 1955. The elasticities chosen are in general those obtained from the latter calculations except for commodities, the consumption of which is strongly influenced by climatic or other non-income factors.

Table V-B shows the pattern of western Europe's agricultural production in the periods 1934 to 1938 and 1954 to 1956, in terms of 1934-1938 average farm prices as estimated by the OEEC as well as the calculated pattern in 1975.

In calculating the pattern of production in 1975, the first step was to apply to the level of output of each commodity in the crop years 1954 to 1956 the percentage change in consumption calculated on the basis of the appropriate income elasticity of demand shown in Table V-A for each hypothesis regarding the level of aggregate income in 1975. The calculation thus made ou the basis of the lower projection of aggregate income (or gross national product) resulted in an estimate of over-all agricultural production in western Europe not significantly different from the assumed level of agricultural output on which the projection of the gross national product had itself been based. With the higher projection of aggregate income, however, the calculated additional demand for foodstuffs produced in western Europe exceeded the assumed growth of agricultural output incorporated in the projection of gross national product. Thus some increase was implied in imports of agricultural commodities in which the advantage of overseas supplies by comparison with European producers appeared to be most important.

(2) The second part of this Annex consists of a series of commodity notes giving additional information relevant to the derivations of imports of individual commodities in 1975.

(3) Finally, Tables XV to XXXII in Appendix A show production, net trade and apparent consumption of selected commodities in industrial and primary producing countries since the late 1920s. These tables, in addition to giving basic information to the projections in Chapter V and to the supplementary notes below, also serve as a basis for the discussion in Chapter IV of trends in world trade during the past three decades.

TABLE V–A

Per capita consumption of selected foodstuffs and income elasticities used in projections for 1975

	Per capita consumption (Kilogrammes per year)					Income elasticities used in projections for 1975
	OEEC countries				United States 1955/56	
	1934-1938	1955/56	1975			
			Hypothesis I	Hypothesis II		
Cereals	128	117	109	104	75	−0.2
Potatoes	101	104	97	92	46	−0.2
Pulses	. .	7	7	7	. .	−0.1
Sugar	25	29	33	35	44	0.3
Vegetables	67	80	86	90	65	0.2
Fruit and nuts	45	60	72	80	51 [b]	0.5
Meat	45	46	58	68	85	0.7
Eggs	8.5	9.3	11.1	12.4	21.5	0.5
Liquid milk	97	108	112	114	160	0.1
Cheese	4.8	5.7	6.3	6.8	3.5	0.3
Butter [a]	5.1	4.5	4.7	4.8	3.3	0.1
Other fats and oils	11	13	14	15	17	0.2
Fish	15	16	16	17	12	0.1
TOTAL (calories per day)	2 860	2 890	2 980	3 040	3 200	

Sources : Agricultural and Food Statistics, OEEC, 1956.

[a] In terms of fat content.

[b] Including canned fruit and juice.

Table V–B
Composition of European agricultural production
Valued at 1934-38 producers' prices

Percentages

	1934-38	1954-56	1975	
			Hypothesis I	Hypothesis II
Cereals	11.4	11.2	9.3	7.9
Other farm crops (potatoes, pulses, sugar, oil-seeds)	7.7	7.9	6.8	6.2
Horticultural crops	10.6	12.8	12.7	12.6
Industrial crops (tobacco, fibres)	1.9	2.3	3.0	3.0
Other (cider fruit, wine)	5.2	4.3	3.9	3.6
Total crop output	36.8	38.5	35.7	33.3
Meat	34.1	33.6	37.6	40.1
Eggs	6.9	6.7	6.8	7.1
Milk and milk products	21.1	20.2	19.0	18.6
Other (wool, silk, honey)	1.1	0.9	0.9	0.9
Total livestock output	63.2	61.5	64.3	66.7
TOTAL agricultural output	100.0	100.0	100.0	100.0
of which : Imported feed	8.2	5.9	4.5	5.0
Indices of agricultural production				
Total agricultural output	78	100	133	141
Output of livestock products	80	100	139	153
Idem net of imported feed				
Total agricultural output	76	100	135	142
Output of livestock products	77	100	145	158
Index of value added	..	100	130	135

Sources : The data for 1934-38 and 1954-56 were taken from *OEEC Statistical Bulletins :* (a) *Definitions and Methods*, Part IV; *Agricultural production ; Agricultural prices*, 1955. (b) *Agricultural and Food Statistics*, 1956. (c) *General Statistics*, November 1957.

Grain

Per capita human consumption of grain has declined over the last few decades in all high-income countries, and the western European average, though influenced by rising consumption in Turkey and Spain, has fallen by 8 per cent since before the war. On the assumption of an income elasticity of demand of -0.2 a further decline of 7 to 11 per cent would occur up to 1975 on each of the two hypotheses made in respect of gross national product. While indigenous grain production in western Europe is likely to expand substantially, the increase in livestock output can be expected to bring a shift in production towards feed grain, which may, however, partly consist of wheat. Some 15 to 25 per cent of western European wheat production has been used for feed in recent years. Wheat imports may not change greatly from their present level, in view of the fact that requirements of high quality wheat, and especially of hard wheat, which cannot be grown in western Europe, are likely to continue to be met largely from overseas. In particular, the United Kingdom, which accounts for the bulk of western European imports, may continue to prefer taking wheat from overseas countries rather than from within western Europe. The outlook for overseas suppliers would be less good if the prospective western European Free Trade Area were to cover grain.

Even with an improvement in feeding techniques, the projections made for western European livestock production may imply an increase in requirements of all types of feeding stuffs by some 35 to 45 per cent. Larger output from European pastures and more home-grown fodder crops will contribute to meeting these additional requirements, and a substantial increase is expected in feed grain production. As is implicit in Table V-B above, imports of feed are estimated to show no change according to the lower hypothesis of GNP, while on the higher hypothesis there may be an increase.

Sugar

The contribution of domestic production to total western European requirements of sugar has increased considerably since before the war. Whereas the volume of net imports has fallen, gross imports have increased, since exports of refined sugar — in particular to affiliated countries — have risen substantially. It is assumed that these exports will remain at their present level and that the share of imports will shrink no further. The latter assumption might be falsified if the establishment of a European Free Trade Area were to cover sugar and to encourage production in affiliated overseas territories.

Fruit and Vegetables

Total requirements of fruit are expected to grow substantially during the coming 20 years. While most of the increase is likely to be met through higher western European production, implying higher exports from southern to north-western

European countries, a considerable expansion of net imports might be required, particularly under the higher hypothesis of GNP. Imports play a minor role in western European consumption of vegetables, and the relatively moderate expansion to be expected in total requirements seems likely, by and large, to be met by domestic production.

Meat

It can be seen from Table V-A that western Europe's consumption of meat is estimated to increase rapidly up to 1975. At present, extensive cattle breeding in countries such as Argentina is cheaper than European meat production. It is, however, likely that throughout most of the period agricultural protection in western Europe will remain and prevent any big rise in the share of imports. Also the substantial improvement which can be expected in feeding techniques will tend to reduce the advantage of extensive cattle breeding overseas. Cost disadvantages in grain production in relation to extensive systems used overseas have already been greatly reduced in many European countries. In meat production the advantages of extensive methods are now in the main restricted to cattle and sheep; pig and poultry production is more efficient under the highly intensive systems used in several European countries (especially Denmark) and also in the United States than under more extensive methods of production.

Since the composition of western Europe's meat consumption is likely to shift in favour of beef, it is reasonable to expect a certain increase in meat imports, at least with the higher hypothetical GNP. Continental countries — and in particular those in the Common Market area — may be able to reduce the share of imports in their consumption, whereas the United Kingdom may have to rely to a larger degree on imports of either feeding stuffs or livestock products, or both.

Dairy Products

The increase in requirements being moderate, a considerable decline in imports may occur, particularly since productivity in European dairy farming is likely to improve substantially. It has, however, been assumed that certain imports will remain, as heretofore consisting mainly of United Kingdom imports from Oceania. On the other hand, western European exports of dairy products to overseas may well increase in the future. Shipments of condensed and dried milk to these areas are already of some importance.

Tobacco

Per capita consumption of tobacco increased steadily both in the inter-war and the post-war periods and demand appears to be fairly sensitive to improvements in income. The main uncertainty affecting future developments is consumers' reactions to further evidence of a causal relationship between smoking and lung cancer. There was a fairly important drop in consumption in the United States in 1954 and per capita consumption continued to decline moderately until 1957, when it recovered somewhat. No similar change has taken place in smoking habits in western Europe, but data are as yet not available to indicate the possible reaction to the official United Kingdom report on causes of lung cancer. Nor has there been any shift (as in the United States) to consumption of filter-tip cigarettes in Europe, except in Switzerland and western Germany, where this type of cigarette accounted for fully 70 per cent and 40 per cent respectively of all cigarettes produced in 1956. In the United States, filter-tip cigarettes jumped from 3 per cent to 28 per cent of total cigarette production between 1953 and 1956 and were expected to reach 40 per cent in 1957.

A shift in demand towards filter-tip cigarettes reduces manufacturers' requirements of raw leaf per unit of product by up to 20 per cent, and this reduction could not be expected to be offset by an increase in numbers sold. Moreover, the use of tobacco sheets and stems and homogenized tobacco leaf produced from scrap, as well as improvements in processing techniques and machinery, enables manufacturers to produce more cigarettes from a given quantity of leaf. Important economies have been made along these lines in the United States in recent years, and European manufacturers will no doubt follow. The scope is particularly important in respect of homogenized leaf, which is so far used only for cigar binders, whereas stems have already been fairly extensively used in the past by European cigarette manufacturers.

On the assumption that no important evidence will be produced on correlation between smoking and disease among average smokers — or that even if it is, manufacturers may provide special filters or processing which will reduce the harmfulness of tobacco — an expansion of 60 or 100 per cent in western Europe's GNP may be expected to lead to an increase of one-quarter or one-half respectively in import requirements of unmanufactured tobacco. This estimate implies an income elasticity of final consumers' demand for tobacco products of the order of 0.9. It allows for an increasing share of cigarettes in total tobacco consumption, a shift in smoking habits towards filter-tip cigarettes and efforts by manufacturers to economize — these together involving a 20 per cent reduction in leaf input per cigarette. It is finally assumed that the share of indigenous tobacco will remain constant.

Coffee

After petroleum, coffee is the most important commodity in world trade, and in western Europe's imports from primary producing countries it is surpassed in importance only by petroleum and textile fibres. World trade in coffee already exceeded the pre-war level in the immediate post-war years in consequence of the sharp war-time expansion in United States demand. The fairly steady increase in trade since then reflects the recovery of consumption in western Europe which is now back to the pre-war level except in France, the Netherlands and Denmark, and has substantially exceeded that level in the United Kingdom and Italy (where per capita consumption of coffee is very low by western European standards) and in Switzerland. Consumers' prices of coffee have generally risen sharply, not only in comparison with foodstuffs in general but in relation also to other stimulating beverages such as tea, beer and soft drinks.

It does not appear that any permanent change favouring other beverages has taken place in consumers' habits during the war and post-war years. The consumption of tea has increased in some countries, notably western Germany and Italy, but this may supplement rather than replace coffee. The same is probably true of cola products. One important factor, however, which has slowed down the expansion in demand for green coffee is the increased consumption of soluble coffee. It has been calculated that at least 30 per cent less green coffee is used to make a cup of soluble coffee than one of the regular roasted variety. The consumption of soluble coffee has not as yet become as widespread in western Europe as in the United States, where it accounts for 15 to 20 per cent of total green coffee consumption; but there may be a very substantial expansion in soluble coffee consumption in western European countries over the coming twenty years, particularly if quality improvements are made to preserve the aroma. This would presumably involve higher green coffee content per cup, and blending with better varieties than are used in soluble coffee manufacturing at present. Informed opinion maintains that in the United States most of the soluble coffee consumption supplements rather than replaces regular coffee. This may be less true of European countries.

The expansion of western Europe's consumption and imports of coffee may be expected to be of the order of one-third to one-half, according to which of the two hypotheses is used. This estimate, which assumes an income elasticity of demand of about 0.5, would be too low if coffee prices were to decline from their present high level. Because many of the *ersatz* products developed during the last war are still widely used in many western European countries, a fall in price might be associated with a more important increase in consumption than could be expected on the basis of available studies on price elasticity, since these generally relate to the inter-war period when the data indicated a demand highly inelastic with respect to price changes.

Cocoa

World exports of cocoa beans have risen by less than 10 per cent since before the war (1934-1938). This moderate expansion in total trade has, however, permitted substantial advances over the pre-war level in imports into most western European countries, since the United States and Canada, which before the war took nearly 40 per cent of world supplies, have not raised their imports and shipments to eastern Europe have declined substantially.

Per capita consumption of cocoa and cocoa products ranges from 0.3 kg to 0.4 kg (in terms of beans) in southern Europe and Finland, to close on 3 kg in the United Kingdom and Switzerland, with most of the remaining countries in the range of 1 kg to 2 kg. The rise in per capita consumption since before the war has been very considerable — 50 per cent or more — in the United Kingdom, Ireland, western Germany, Italy and Finland, and significant in many other countries also. France and the Netherlands are the only important cocoa-consuming countries in western Europe where per capita consumption has not risen since before the war, and consumption declined in southern Europe, with the exception of Italy. In the years 1948 to 1953, per capita consumption in ten western European countries taken together was fully 17 per cent above that of 1934 to 1938 (weighted average), although cocoa prices had risen by an average of 45 per cent in comparison with general retail price indices, and in comparison with a growth in per capita income by only 18 per cent.

This post-war development differs significantly from the pre-war experience in respect of consumers' reactions to changes in income and relative prices, and does not appear to be suitable as a basis for future projections since consumption in this period seems to have been influenced by special or temporary factors and in particular by the marked shortages of cocoa products during the war and the early post-war years.

The 1975 projections for cocoa imports, which represent an increase of 44 or 68 per cent according to which of the two income hypotheses is used, are based on an income elasticity of demand of 0.7, which may be on the high side.

Tea

Apart from dairy products, there is no commodity in western Europe's overseas imports which is more heavily dominated by one single country's requirements than tea. In 1956 the United Kingdom took fully 88 per cent of total tea imports into the area, and the pre-war proportion was no different. If imports into Ireland and the Netherlands are added to those of the United Kingdom, as much as 95 per cent of western Europe's imports are accounted for.[1] The main factor which will determine western Europe's future import requirements of tea is therefore the development in demand in these three countries; even substantial changes in consumption levels in other western European countries are bound to have only a marginal effect on total western European imports.

Of the three big tea-consuming countries, the United Kingdom, Ireland and the Netherlands, it is only in Ireland that any substantial advance has been made in tea consumption over pre-war levels. Consumption in a number of other western European countries has, however, increased sharply, particularly in the four Scandinavian countries where it is now from two to three times the pre-war level. These increases have to a large extent been the result of the shortage of coffee during the war and early post-war period which in most countries necessitated strict rationing, whereas tea was generally freely available. There is, however, no evidence that the de-rationing of coffee and the improvement in available coffee supplies in recent years have induced a return to former tea consumption habits.

Tea consumption in the continental countries may continue to expand in coming years, although nothing like the rate of growth in the past two decades can be expected. In the United Kingdom and Ireland, however, it is unlikely that improvements in income will have much of an effect on tea consumption, which is already of the order of 6 to 6½ cups [2] a day per person aged 10 and over. Given the fact that the development in consumption in these countries is by far the most important factor determining future import requirements in western Europe, an income elasticity of demand of 0.2 has been thought reasonable for the area as a whole. The increase in import requirements by 1975 would be 20 and 26 per cent respectively for the two hypotheses regarding over-all income.

Oil-seeds, Fats and Oils

This group comprises a large variety of vegetable and animal fats and oils which, apart from a few types of oil-seeds and oils used in the paint industry, are either for direct human consumption or for the manufacture of soap, margarine and shortening. Three major shifts have occurred in western Europe's consumption of fats and oils since the pre-war period:

(*a*) There has been a large-scale substitution of margarine for butter, and per capita margarine consumption has nearly doubled, while butter consumption has fallen by 10 per cent. The entire growth in margarine consumption has benefited vegetable oils, which constitute the main ingredients in margarine.

(*b*) Western Europe's pre-war consumption of soap has been reduced by more than 10 per cent to 1.6 million tons at present, whereas the production of synthetic detergents, which was nil before the war, has expanded to almost 0.9 million tons (see Table V-C). Vegetable oils and oil-seeds have further suffered from the growing use of cheap tallow in soap production.

(*c*) The production of paints based on synthetic resins has increased sharply and the previously unrivalled position of linseed and tung oils has been further weakened by the greater use of soya and tall oils in paint manufacture. The scarcity of traditional drying oils during the war and the early post-war period, caused by the falling away of Argentine linseed and Chinese tung oil supplies, is an important factor in this development.

The forecast made of western Europe's import requirements in fats and oils is based on the assumption that the tendencies in consumption described above will continue to operate. The 6 to 13 per cent increase[3] in per capita consumption of edible fats and oils projected in the period up to 1975 is assumed to benefit margarine and edible oils, while per capita consumption of butter is estimated to increase only slightly above the present level.

Per capita consumption of soap of all types will probably increase only at a relatively modest rate, and synthetic detergents

---

[1] The data relate to gross imports; the corresponding shares for retained imports are somewhat lower.

[2] It is assumed that one pound makes 200 cups of tea.

[3] This is considerably smaller than the increase between 1950-51 (when the pre-war level was recovered) and 1955-56; but slightly higher than the expansion during the period 1934-38 to 1953-55. The forecast implies a per capita consumption ranging between 19 and 20 kg, which compares with a United States consumption stable at 20 kg during the last two decades.

TABLE V-C

Natural and synthetic materials in selected industries in western Europe and the United States

Production or industrial consumption in thousands of tons and index numbers

		Western Europe [a]				United States			
		Average 1934-38	Average 1952-56	1956	Index numbers 1952-56 (*1934-38 = 100*)	Average 1934-38	Average 1952-56	1956	Index numbers 1952-56 (*1934-38 = 100*)
Textile fibres									
(i) Natural:									
Wool	Consumption	457	540	580	118	156	205	206	131
Cotton	Consumption	1 437 [b]	1 460	1 550	102	1 402	1 978	1 968	141
Silk	Consumption	..	..	..	..	26	3	3	12
(ii) Artificial and synthetic:									
Rayon filament	Production	164	322	358	196	120	366	340	305
Rayon staple	Production	91	436	527	479	6	162	181	2 700
Synthetic	Production	—	45	..	..	—	168	225	..
Rubber									
(i) Natural	Consumption	303 [c]	652	659	215	510	570	572	112
(ii) Synthetic	Consumption	5 [d]	80	155	1 600	..	913	889	..
Detergents									
(i) Soap	Production	1 884 [b]	1 600	1 633	85	1 429 [b]	830	600	68
(ii) Synthetic	Production	—	620	880	..	7 [b]	900	1 100 *	..
Plastics	Production	—	850	1 225	..	20 *	1 350	1 570	..

Sources: Statistical Bulletins and *The Chemical Industry in Europe*, OEEC; *Textile Organon*, Textile Economic Bureau, New York; *Wool Intelligence* and *Vegetable Oils and Oilseeds*, Commonwealth Economic Committee; *Rubber Statistical Bulletin*, International Rubber Study Group, London; *Materie Plastiche*, Milan, December 1957.

[a] OEEC countries only. Pre-war data for Germany refer to present area of western Germany.

[b] 1938.

[c] Net imports.

[d] 1937-38.

may supply as much as two-thirds of the total by 1975. The demand for paint is likely to expand rapidly. The shift away from linseed and tung oils towards other vegetable oils in paint production may be less pronounced than in recent years; the competitive position of traditional drying oils, or at least linseed, has improved moderately with recent price developments. The continued expansion of protein-containing emulsion paints and protein fibres will increase requirements for oilseeds, and in particular soya beans and groundnuts.

Indigenous western European production may be expected to expand sufficiently rapidly to reduce import requirements of animal fats and oils. Availabilities of marine oils may not improve much since international agreements will continue to restrict whaling activities, but indigenous production of lard and tallow would expand rapidly with the assumed rise in meat production. Imports may be expected to decline — particularly imports of tallow, of which fairly important quantities have been imported from the United States in post-war years with the unloading of CCC stocks.

The projected increase in western European requirements of vegetable oils and seeds, on the other hand, is likely to be met largely through higher imports. Domestic production accounts for less than one-third of total requirements at present as compared with more than three-quarters of requirements of animal fats and oils. The cultivation of cottonseed, rapeseed, and sunflower seed will probably continue to expand, but olive production, which accounts for the bulk of western Europe's oil-seed output, cannot be expected to increase much.

Over the next two decades the projected change for slaughter fats would be a decline of about 20 per cent, while for marine fats and oils and for oil-seeds no change is expected. The entire increase in imports is assumed to fall on vegetable oils, which consequently would increase by 45 per cent and 55 per cent according to which of the two hypotheses is used.

Rubber

In contrast with the situation in the United States, almost the entire growth in western European consumption of rubber between 1934-38 and 1952-56 is accounted for by natural rubber. During recent years, imports of synthetic rubber into western Europe have, however, increased rapidly following the liberalization of dollar imports. Also, world production of natural rubber, after a rapid recovery from a war-time low level of less than 400,000 tons in 1944 to 1.9 million tons in 1950, has failed to respond to the continued growth in demand. Although the present level of output is nearly twice the pre-war level, little addition to capacity has been made, as witnessed by the fact that output in 1941, admittedly boosted by over-tapping, was already 1.6 million tons. The future growth of natural rubber production is by and large limited to the effects of replanting with high-yielding stock. Even under the most optimistic assumptions on the rate of replanting, it is not expected that as much as a doubling of present output could be achieved by 1975. For the present study the more conservative maximum assumption of a 70 per cent increase has been chosen.

Consumption of rubber could, however, be expected to increase at a faster rate, not only in the transportation sector, which accounts for the bulk of total rubber requirements, but also in a range of other uses. The forecast for western Europe's rubber requirements is based largely on the estimated growth of the stock and output of motor vehicles. The increases derived for the two income hypotheses are 80 and 150 per cent respectively.[4]

If it is assumed that the higher increase foreseen in rubber consumption in uses other than road transportation is offset by a rising share of reclaimed rubber in total consumption, the above figures may be taken to represent the increase in western European requirements of new rubber between 1955 and 1975. The corresponding rate for the United States, derived from the Paley report, is 70 per cent, and consumption in all other countries (excluding eastern Europe and mainland China) may be expected to rise at a rate roughly midway between the two alternatives for western Europe, or by 110 per cent. Net exports to eastern Europe and mainland China of natural rubber have been assumed to reach 400,000 tons by 1975.

If the projected requirements of rubber are to be met, the assumption made above in respect of availabilities of natural rubber requires an increase in world output of synthetic rubber of some 130 and 160 per cent on each of the two hypotheses. The United States will, no doubt, continue to produce and consume the bulk of the synthetic product, but rapid increases will very probably take place also in western Europe. The petro-chemical industry in western Europe, which has recently expanded substantially, can be expected to produce important quantities of synthetic rubber by 1975; production of 0.3 million and 0.5 million tons has been assumed for the two hypotheses, with import requirements of 0.2 million and 0.3 million tons respectively, as compared with 110,000 tons in 1955. Imports of natural rubber would then rise by 40 and 80 per cent in relation to the 1955 level, or to 1 million and 1.3 million tons, on each of the two hypotheses (see Table V-D).

TABLE V–D

World rubber position, 1955 and 1975

Millions of tons

	1955		1975	
	Natural	Synthetic	Natural	Synthetic
Production: Hypothesis I . . .	1.94	1.11	3.00	2.60
Hypothesis II . .			3.30	2.90
Consumption: Hypothesis I . .	1.91	1.08	3.00	2.60
Hypothesis II .			3.30	2.90
of which :				
Western Europe:				
Hypothesis I	0.72	0.11	1.00	0.50
Hypothesis II			1.30	0.80
United States	0.64	0.91	1.00	1.70
Other countries	0.41	0.05	0.60	0.40
Net exports to eastern Europe and Mainland China	0.14	—	0.40	—

Textile Fibres

Western Europe's dependence on overseas supplies of textile fibres has declined from over four-fifths before the war to less than three-fifths in recent years. This development is a result of the marked expansion of production of synthetic fibres,[5] the decline in western Europe's exports of cotton piece-goods, and the increase in indigenous cotton cultivation. The shift towards synthetic fibres during and after the war was largely a consequence of the scarcity and high price of natural fibres. Prices of cotton have been particularly high during post-war years, since with the scarcity of non-dollar supplies they have been geared to the high United States support price.

The tendency towards the replacement of natural by synthetic fibres is likely to remain strong in a number of fields in the future. This is true in particular of many industrial uses where the possibility of producing a fibre according to specification is of paramount importance, and where, in addition, price may not be an important consideration if the fibre represents only a small part of the value of the final product. The shift towards synthetic products will also continue to be important in the case of household goods, and the competition between rayon and cotton in low-priced garments will remain strong. The position of apparel wool would appear to be more secure, although there are possibilities for replacement by synthetic fibres in certain uses. By and large, the situation is likely to become one of joint demand for wool and synthetics, with the latter imparting additional qualities to the fabric.

However, a return to a supply and price situation for natural fibres more normal than that which has characterized the post-war period as a whole might well slow down the tendency to shift away from these fibres. Rayon is at present only 10 per cent cheaper than cotton, and the narrowing of the differential in recent years[6] was accompanied by some decline in rayon consumption and a moderate increase in the consumption of cotton. On the assumption of competitive prices, a moderate increase in western Europe's consumption of cotton might be expected. Indigenous production has increased substantially since before the war, particularly in Turkey — where unfavourable prospects for wheat exports may encourage a shift to cotton — as well as elsewhere in southern Europe. It is assumed that indigenous production will more than double by 1975, which would leave an increase in import requirements of only 6 per cent and 9 per cent on the two hypotheses. Indigenous

---

[4] The number of passenger cars per capita is closely related to changes in GNP. An inter-country comparison for 1955 suggests that a 60 per cent increase in GNP may be associated with a rise of 120 per cent in the stock of passenger cars. The corresponding increase with a doubling of the GNP is 250 per cent. Time series for western European countries for the period 1950 to 1956 give considerably higher "elasticities". The demand for commercial vehicles is less sensitive to increases in income; and it has been assumed that the rate of expansion will be no higher than that of GNP. The forecasts obtained for 1975 are as follows (in million vehicles):

	Actual		*Forecast*	
	1950	*1955*	*1975 : I*	*1975 : II*
Passenger cars . . .	6.0	12.3	27.6	43.1
Commercial vehicles	3.4	5.2	8.3	10.4

Rubber is required for replacement of old tyres, as well as for tyres in new vehicles. The production of new vehicles in 1975 may be estimated at between 4.4 and 7.6 million for passenger cars, and 1.2 to 1.6 million for commercial vehicles, on the assumption of a 10-year average lifetime for motor vehicles and of exports at their present level. Each new passenger car is equipped with 5 tyres and each commercial vehicle with 7. Annual replacement needs are estimated at 1.2 tyres per passenger car and 1.1 per commercial vehicle. If it is further assumed that the latter require on the average four times as much rubber as the former, the increase in requirements of rubber for road transportation purposes would amount to about 80 per cent for the lower, and 150 per cent for the higher hypothesis.

[5] This classification covers rayon as well as the newer truly artificial fibres.

[6] During the period 1947-1954, rayon staple cost from 30 to 40 per cent less than cotton (on a weight basis). Before the war, rayon staple was about twice as expensive as cotton.

production of wool may not expand greatly, particularly if large-scale reafforestation programmes are to be undertaken in southern Europe; and net imports are assumed to increase by 35 and 53 per cent on the two hypotheses.[7]

	Western European Situation in 1952-56 (Thousands of tons)	*Percentage increase 1955-1975*	
		Hypothesis I	Hypothesis II
Cotton			
Consumption . .	1 616	22	31
Production . . .	235	100	135
Net imports . .	1 381	6	9
Wool			
Consumption . .	549	31	47
Production . . .	125	20	28
Net imports . .	424	35	53

These forecasts imply a further reduction in the degree of western Europe's dependence on imports of textile fibres from about three-fifths at present to less than one-half by 1975. For United States requirements — almost entirely wool — an increase of 75 per cent in imports has been allowed.

Jute

In the period 1952 to 1956, western Europe's imports of jute were of about the same magnitude as before the war, with allowance being made for pre-war imports into eastern Germany. The main factors in this stagnation are the substitution of cheaper sacking materials, in particular paper bags, the increase in bulk handling of many commodities previously transported in jute bags and the tendency towards pre-packing in factories of merchandise delivered to retailers. Western Europe's demand for jute seems unlikely to expand much with the present high prices; and an increase of 20 to 30 per cent has been assumed. Production in India and Pakistan could technically be raised substantially. A 2 per cent reduction in the area under rice would make possible a doubling of jute output in the former country.

Western Europe has an important jute manufacturing industry and imports chiefly raw jute from Pakistan, in contrast with the United States where imports consist largely of burlap (jute manufactures) from India. It is likely that the share of burlap in western Europe's imports will increase in the future with the development of jute processing in Pakistan.

Other Fibres

The bulk of these fibres consist of hard fibres (manila, sisal, and henequen): others, such as flax and soft (so called " true ") hemp, play a minor role in western Europe's imports from abroad. Hard fibres are used mainly in rope and twine, but important quantities are also needed for upholstery. The chief outlet is in agriculture as binder and baler twine, and in industry and trade as wrapping twine. There are tendencies towards a decline in some of these uses as a result, for example, of the substitution of harvest combines for grain binders in agriculture, and the use of tape in retail trade. Competition from synthetic fibres has greatly affected Manila hemp for such uses as sea rope and netting, for which increasing amounts of nylon and terylene are now being used. Increasing activity in western European agriculture, industry and trade may be expected to lead to somewhat higher requirements of hard fibres in future: it has been assumed that these will move in line with the prospective growth in agricultural production.

Hides and Skins

Hides and skins have in post-war years suffered competition from rubber and plastics. Heavy hides have lost ground to rubber, which is more durable, particularly in soling materials, while plastics have increasingly replaced leather in a number of consumers' goods. In mass production, plastics have a distinct advantage over leather, which is a less uniform product.

The foreseen expansion in western Europe's meat production will lead to a substantial increase in indigenous supplies of cattle hides; but even a sizeable decline in relative prices of hides could not be expected to cause a reversal of the present trend. With lower prices, leather might possibly be preferred to rubber and other materials in lighter shoes; but heavy leather is likely to lose to rubber in working and sports shoes, and the decline that can be foreseen in the number of draught animals in agriculture will cause a considerable fall in the demand for heavy leather as harness. On the basis of the above considerations it may be concluded that western European import requirements are likely to show only moderate changes in the future.

Non-ferrous Metals[8]

As will be shown in more detail below, the estimate for western Europe's future imports of " non-ferrous ores " (non-ferrous scrap, being a relatively unimportant item, can be disregarded) has been based on the general assumption that imports of the traditional non-ferrous metals will increasingly be in the form of metals, while imports of ores and concentrates (except in the case of tin) will tend to fall. For the alloy metals (and in particular chrome and manganese) imports will continue to take the form of ores and concentrates, although a few primary exporting countries with access to cheap pig iron have already started to produce ferro-alloys (ferro-chrome and ferro-manganese). The rather moderate increase in western Europe's imports of non-ferrous ores shown in Table 6 is thus brought about by a sizeable increase in imports of manganese and chrome ores (western European requirements of these have been taken to increase in step with the steel output), by a very small increase in imports of concentrates of certain metals (including tin) and a decline in imports of copper, lead and zinc ores and concentrates.

Aluminium. — The raw material used for aluminium (Al) is bauxite, normally containing about 25 per cent of Al. Bauxite, in combination with caustic soda (recoverable) and coal (2½ tons for each ton of alumina) yields aluminium oxide (alumina) containing 50 per cent of Al.

---

[7] The consumption forecasts are based on the following assumptions: income elasticity of demand for apparel 0.5; for household goods 0.7; for industrial uses 1.0 (all on a weight basis). Synthetic fibres are assumed merely to retain their share in the requirements for apparel goods, to provide two-thirds of the increase in requirements of household goods and the total of the increase in industrial uses. These parameters have been applied to the following pattern of consumption in 1955 (percentages):

	Cotton	*Wool*	*Synthetic*	*Total*
Apparel	50	61	40	. .
Household	20	20	10	. .
Industrial	20	5	23	. .
Exports	10	14	27	16
Total	100	100	100	100
Share in total consumption of fibres	52	18	30	100

[8] This group comprises not only the traditional non-ferrous metals (including aluminium) treated individually in the text but also alloy metals used in combination with steel as well as a range of new metals, likely to be of growing importance in the future. The alloy-metals, of which the most important (besides nickel, which is treated separately) are chrome, manganese, tungsten, molybdenum and vanadium, are normally used in the form of a concentrate and thus imported in that form. These metals are included in Table 6 under the heading " non-ferrous ores and scrap ", which also comprises ores and concentrates of the traditional non-ferrous metals (mainly lead, zinc and tin). The group of new metals, including cadmium, magnesium, antimony, beryllium, zirconium, etc., is shown in Table 6 under the heading " other metals ".

International trade in alumina is small, since the saving in weight has not so far outweighed the expenditure in setting up reduction plants in the main bauxite-exporting countries, which are, by the way, accessible by cheap water transport. Only Jamaica exports sizeable quantities of alumina. Aluminium metal is produced from the alumina through an electrolytic process, requiring cryolite (from Greenland or synthetic), carbon electrodes (three-fourths of a ton consumed for each ton of aluminium produced) and, above all, electric power (22,000 kWh per ton produced). Western European net imports of aluminium have so far taken the form of refined metal (from Canada and recently also from certain eastern European countries) and will continue to do so. In the future, the bulk of western Europe's import requirements is expected to be supplied from projected hydropower and aluminium plants in Africa.

Western Europe's total requirements are assumed to increase by 220 and 300 per cent over the 1954-56 level according to the two hypotheses. These rates correspond to those implied in other studies of the future growth of aluminium consumption. Indigenous production increases by 120 and 200 per cent. These rates, although high, are believed to be compatible with present plans and future possibilities for the expansion of western European capacity. Bauxite reserves are sufficient; it has also been assumed that energy will be available at sufficiently low cost to make production profitable.

In the case of North America, it has been assumed that the bulk of requirements of aluminium will be supplied through indigenous output, to a substantial extent based on imported bauxite and alumina (all from Latin America). Since imports into western Europe and North America combined have been extremely small so far (almost exclusively coming from eastern Europe) the expected development of aluminium plants in Africa (and possibly other regions) will result in a staggering increase in imports into the industrial countries.

Copper. — Copper-bearing ores at best contain 8 per cent Cu, and in the United States less than 1 per cent. Before smelting, the ores must be concentrated. Even so, the weight is about three to four times that of the smelted product, with the result that international trade in copper concentrates is relatively small and occurs only where cheap water transport can be used. The landlocked African copper countries smelt the ore on the spot and increasingly refine the metal. Primary smelting in western Europe is thus limited to indigenous ores and relatively small, about 6 to 7 per cent of total industrial consumption. The balance is derived from imported blister copper (mainly from Africa) and refined copper (from Africa and the western hemisphere) as well as from recovered copper. (The share of secondary copper is notoriously difficult to acertain. The average for the western world in 1956 was about 15 to 20 per cent, but in many countries it is appreciably higher.) Western Europe's future imports will increasingly take the form of refined copper.

Total requirements of copper in western Europe have been assumed to increase in step with the growth in GNP, while indigenous mine production, which has increased only slowly over the past three decades, is expected to grow only fractionally. Almost the entire growth in requirements will thus have to be met through imports, of which a growing proportion will consist of refined metal as opposed to blister copper. For North America the increase in imports is likewise due to a relatively slow expansion in indigenous production and to a shift towards metal in the place of concentrates.

Lead. — Western European indigenous production of lead ore is supplemented by imports of lead in concentrates, lead bullion and pig lead. A very great share of total consumption is in addition derived from scrap, ranging from about one-half in the United Kingdom to one-fourth in France. Imports of lead concentrates come from north and south Africa, whereas lead metal comes from Australia, Canada and also from Morocco and Tunisia. Already metal imports are about twice those of Pb content of imported ores and concentrates, and it may be expected that in the future an even smaller share of western European import requirements will arrive in the form of concentrates.

Total requirements of new lead are assumed to increase by 45 and 75 per cent, respectively, over the 1954-56 level according to the two hypotheses. Since indigenous production increases at a far lower rate (by 20 to 30 per cent only) total import requirements grow appreciably faster. In addition, since imports of ores and concentrates are likely to stagnate and even fall, import of lead metal increase even faster, or by 70 and 110 per cent.

North American import requirements are likely to grow even faster, with an anticipated decline in United States mine production.

Zinc. — Although zinc appears together with lead in complex ores, it is different from that metal in many respects. Refining is a tricky procedure; thus substantial quantities of concentrated zinc ore appear in world trade. Western European imports in the form of concentrates (mainly from North Africa, Australia and the Belgian Congo) cover about one-third of total requirements of zinc. Imports of zinc metal, on the other hand, are comparatively small. Apart from zinc produced from indigenous (about one-half of total consumption of new metal) and imported ores, a sizeable contribution to availabilities is made by reclaimed zinc. Future imports into western Europe may be expected to show a higher share of metal than at present. The extent to which this shift will occur depends largely on the rate of expansion in zinc consumption since existing smelter and refinery plants in western Europe are dimensioned for imports of zinc concentrates. However, Belgian producers have already started to shift the smelting and refining operations to the Belgian Congo.

The growth of western Europe's total requirements of new zinc has been assumed at 30 and 50 per cent, respectively, for the two hypotheses concerning the growth in GNP. Indigenous mine production may be assumed to increase at about the same rate. The relatively high increases shown in Table 6 for imports are thus mainly due to the anticipated shift of imports from ores to metal.

In the case of North America, indigenous mine production is not expected to increase very much and here also there will be a shift towards imports of metal rather than concentrates.

Imports of zinc metal into western Europe and North America combined, which in 1954-56 were relatively unimportant, will therefore grow at a very high rate.

Tin. — Tin concentrates often contain as much as 75 per cent of Sn, and international trade in tin concentrates is therefore very important. Tin concentrates from Indonesia, Thailand, Bolivia and Africa are exported to Malaya, the United Kingdom, the Netherlands and Belgium. The smelter erected in the United States during the war has, on the other hand, discontinued treating tin concentrates. Future European import requirements will probably consist, as hitherto, of concentrates as well as refined tin, while North America will import exclusively tin metal. Western Europe may as hitherto export tin metal to North America.

The prospective increase in requirements of tin metal is relatively modest and no major shifts are expected in the trade pattern for either tin concentrates or metal, with the single exception mentioned above.

Nickel. — Western European requirements of nickel are met by imports of nickel matte from Canada and New Caledonia. Western Europe in addition exports refined nickel to the United States. Future requirements, which are likely to increase very fast — in line with steel output, at least — will have to be met also through drawing on reserves in Cuba and Indonesia.

Chapter VI

DEVELOPMENTS IN THE FOREIGN TRADE OF EASTERN EUROPE AND THE SOVIET UNION

Studies by the ECE secretariat of the foreign trade of the countries of eastern Europe and the Soviet Union have been published in the Economic Survey of Europe in 1954, *Chapter 5 and, since 1949, in the second number of each of the annual volumes of the* Economic Bulletin for Europe. *Those studies have, however, been based mainly on the trade statistics of countries outside the group, supplemented by fragmentary data released from time to time by the eastern European countries and the Soviet Union. The available data have thus sufficed to provide a fairly adequate record of the development of East-West trade, but not to permit any but the most cursory appraisal of the geographical or commodity patterns of the foreign trade of the eastern European countries and the Soviet Union or of the significance of foreign trade in their economies.*

Within the last eighteen months, however, statistical yearbooks containing foreign trade data covering a period of years have been issued in Bulgaria, Czechoslovakia, eastern Germany, Hungary and Poland; and special requests by the secretariat for further material met with responses from these countries and also, to a much lesser extent, from Rumania and the Soviet Union. For these last two countries, however, the data remain particularly inadequate. The handbook of Soviet foreign trade statistics, publication of which was first stated to be imminent more than a year ago, was still not available to the secretariat at the time of writing.

Considerable as has been the recent improvement in the supply of data on the foreign trade of the region, much of the material is still in a form requiring both processing and supplementation from other sources before it can readily be interpreted; and, moreover, much of it reached the secretariat very late in 1957 or even after the turn of the year. This chapter should therefore be regarded as a first assessment of the material now available. The analysis may be carried further when the data have been supplemented by those countries which have stated their intention to publish more statistics in the future and when more is known of the current considerations of theoretical and actual problems of foreign trade and economic co-operation within the region.

1. The Place of Eastern Europe and the Soviet Union in World Trade

The rate of growth of the foreign trade of the eastern European countries and the Soviet Union over the years since 1950 has exceeded that of world trade in general, and the share of these countries in world exports rose from just over 7 per cent in 1950 to 8½ per cent in 1956.[1] The trade turnover of the Soviet Union increased by more than 120 per cent over the period, while that of the eastern European countries was not quite doubled.[2] The pace of expansion appears to have slackened markedly since 1953, at least so far as the countries of eastern Europe are concerned, but this certainly reflects, *inter alia*, a much slower rise in prices in these years than in the

---

[1] On the basis of statistics of imports, the corresponding increase in the share of world trade is from roughly 6¼ per cent to 7¾ per cent. Thus the present share of the area in world trade is about the same as it was immediately before the war.

[2] These comparisons relate to the trade of six eastern European countries: Bulgaria, Czechoslovakia, eastern Germany, Hungary, Poland and Rumania. Very few data are available from Albania.

TABLE 1

Foreign trade of the eastern European countries and the Soviet Union in relation to world trade

	1948	1950	1951	1952	1953	1954	1955	1956
Six eastern European countries				*Millions of current dollars*				
Exports :								
To the eastern trade area	829	1 549	2 065	2 436	2 966	3 217	3 226	3 412
To countries outside the area	1 031	926	1 038	864	876	1 045	1 378	1 594
Total exports	1 860	2 475	3 103	3 300	3 842	4 262	4 604	5 006
Imports :								
From the eastern trade area	807	1 603	2 109	2 492	2 843	2 936	2 938	3 167
From countries outside the area	1 043	876	1 113	948	849	1 044	1 333	1 431
Total imports	1 850	2 479	3 222	3 440	3 692	3 980	4 271	4 598
Soviet Union								
Exports :								
To the eastern trade area	..	1 500	..	..	..	..	2 753	2 713
To countries outside the area	..	295	..	..	..	..	716	956
Total exports	..	1 795	..	..	..	..	3 469	3 669
Imports :								
From the eastern trade area	..	1 136	..	..	..	..	2 399	2 692
From countries outside the area	..	320	..	..	..	..	662	921
Total imports	..	1 456	..	..	..	..	3 061	3 613
World trade [a]								
Exports	56 200	60 400	81 400	79 200	81 300	84 900	92 300	102 200
Imports	62 400	62 900	86 600	86 000	83 300	87 100	96 800	106 700
Percentage of world trade				*Percentages*				
Exports from six eastern European countries	3.3	4.1	3.8	4.2	4.7	5.0	5.0	4.9
Imports to six eastern European countries	3.0	3.9	3.7	4.0	4.4	4.6	4.4	4.3
Exports from the Soviet Union	..	3.0	..	..	..	..	3.8	3.6
Imports to the Soviet Union	..	2.3	..	..	..	..	3.2	3.4
Percentage distribution by trade areas								
Exports from six eastern European countries:								
To the eastern trade area	45	63	67	74	77	75	70	68
To countries outside the area	55	37	33	26	23	25	30	32
Imports to six eastern European countries:								
From the eastern trade area	44	65	65	72	77	74	69	69
From countries outside the area	56	35	35	28	23	26	31	31
Exports from the Soviet Union:								
To the eastern trade area	..	84	..	..	..	..	79	74
To countries outside the area	..	16	..	..	..	..	21	26
Imports to the Soviet Union								
From the eastern trade area	..	78	..	..	..	..	78	75
From countries outside the area	..	22	..	..	..	..	22	25

Sources and methods : See Appendix B.

[a] Including trade of eastern European countries, the Soviet Union and Mainland China.

earlier period. Data on foreign trade prices are particularly deficient, but where statistics of trade in constant prices exist they show no slowing down of the expansion in Czechoslovakia, and only a moderate slackening in Bulgaria and Hungary, but a definite levelling off during 1954-1956 in Poland.[3]

The Geographical Pattern

The development of the geographical pattern of the trade of the countries of the region reflects very clearly the policy changes of 1953 and 1954. Up to the end of 1953, the deterioration of East-West trade relations, intensified by the outbreak of war in Korea and the imposition of strategic controls on exports from many western countries, was accompanied by an intense concentration in eastern Europe and the Soviet Union on the development of heavy industry. Attempts to encourage some specialization in production within this sector were made, but in general development plans were highly autarkic. At the same time, credits granted by the Soviet Union in earlier years helped to finance commercial imports into eastern Europe, offsetting to some extent the drawing away of resources from these countries through reparations deliveries and low-priced exports to the Soviet Union. The new phase that began in 1954 was marked by some relaxation of political tensions inhibiting East-West trade and by a change of domestic policies in the countries of eastern Europe and the Soviet Union which involved both a slackening of the pressure to build up heavy industry at all costs — and of the investment drive generally — and gradually increasing attention to consumers' needs. It was also marked by the ending of reparations deliveries to the Soviet Union [4] (particularly important for eastern Germany, where in 1953 they had been equivalent to about half the value of commercial exports in that year), by the gradual ending of arrangements for specially low-priced sales of certain products to the Soviet Union,[5] and by the conclusion of agreements in 1954 for the sale of the Soviet shares in the mixed companies in Bulgaria, Hungary and Rumania.

The tendency for some reorientation of trade towards the west, which might in any case have been expected to follow the relaxation of political tension and easing of trade controls, was encouraged by the developments just mentioned. The earlier concentration throughout eastern Europe and in the Soviet Union on the development of manufacturing capacity, to the relative neglect of agriculture and of raw materials production, and on heavy industry to the neglect of the consumer-goods sector and of materials for that sector, meant that all the countries of the region simultaneously faced somewhat similar scarcities — which could be most readily relieved by imports from outside sources — and also similar excess capacities in the engineering sectors. The ending of non-commercial deliveries to the Soviet Union released resources in some eastern European countries for export to other areas or for use at home, and the Soviet Union tended to become a relatively more difficult market than before as restoration and expansion of its processing capacities relieved earlier scarcities of manufactured goods in that country. Moreover, the encouragement given to imports from the Soviet Union by the credits extended to the eastern European countries in the late 1940s and early 1950s was reversed as the flow of new credits shrank and repayments of past credits, together with payment for the Soviet shares in the joint companies, became due.

As can be seen from Table 1, the share of the eastern trade area [6] in the total trade of the countries of eastern Europe reached its peak in 1953 and then fell steadily until 1956, though the absolute values of trade continued to rise apart from a temporary stabilization in 1955. Among the five eastern European countries for which the necessary data are available,[7] the shares of the Soviet Union in total exports and total imports reached their maxima in 1953 or 1954 everywhere except in Bulgaria — where the peaks had come a year or two earlier — and thereafter declined until a new wave of Soviet credits and special efforts to supply urgent needs in eastern Europe brought about a sudden rise in the Soviet share of imports into these countries in 1957 (see Table 2).

Trade among the eastern European countries has grown over the period, with a setback in 1954 (see Annex Table VI-A), but its share in the total trade of the group has fallen sharply since 1953. This

---

[3] See Chart 3 in section 3, and Appendix Table XXXVII.

[4] Not included in trade statistics.

[5] Two examples are Polish coal and Hungarian bauxite. In November 1956 all outstanding debts from Poland to the Soviet Union ($525 million) were cancelled by mutual agreement to regard them as having been repaid by earlier exports of Polish coal at less than world market prices. The differential pricing of Hungarian bauxite exports is demonstrated by the following figures (dollars per ton):

Export prices to:	*1950*	*1951*	*1952*	*1953*	*1954*
Soviet Union	5.6	5.3	4.9	7.5	11.6
Czechoslovakia	12.7	11.0	10.8	11.0	10.8
Eastern Germany	12.0	12.8	12.7	11.1	11.1

Source: As for Table 20.

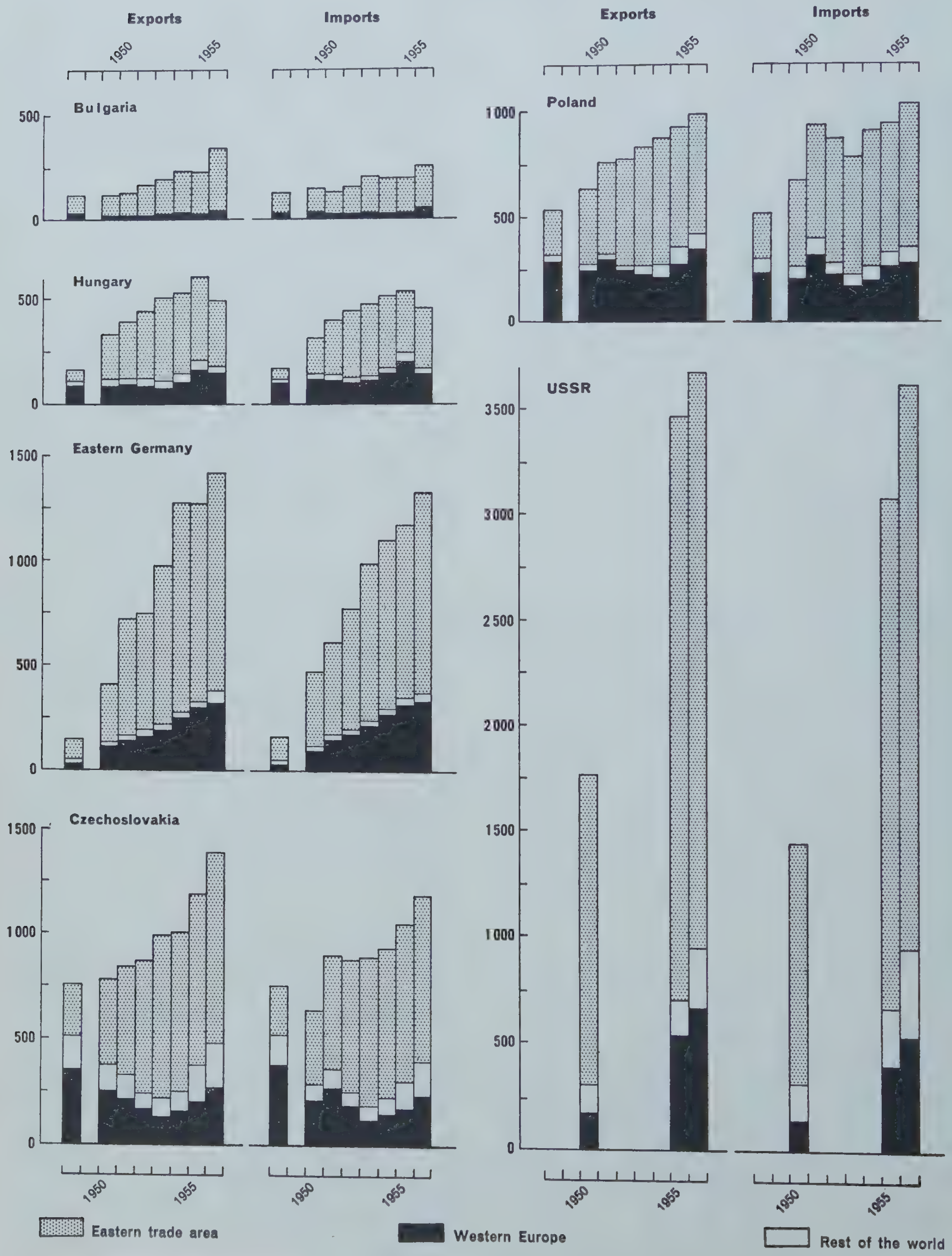
[6] The "eastern trade area" as defined in this chapter comprises the Soviet Union, Albania, Bulgaria, Czechoslovakia, eastern Germany, Hungary, Poland, Rumania, Mainland China, Mongolia, North Korea and North Viet-Nam. It is assumed, with some supporting evidence (see section 4, below) that differences in price structures and in price trends in intra-eastern trade on the one hand, and in trade between the eastern trade area and the rest of the world on the other, are not so great as to render meaningless comparisons of these two major trade flows.

[7] Bulgaria, Czechoslovakia, eastern Germany, Hungary and Poland.

CHART 1

Exports and imports of eastern European countries and the Soviet Union by trade areas

Millions of current dollars



Sources : Appendix Tables XXXIV-XXXV.

NOTE. — For Bulgaria, trade with the rest of the world is included with western Europe.

TABLE 2

Percentage share of the Soviet Union in the total trade of five eastern European countries

	1948	Peak year	1955	1956	1957 Jan.-Sept.
Exports from:		[a]			
Bulgaria	51	57	47	50	50
Czechoslovakia	16	36	34	31	27
Eastern Germany	34	46	40	40	43
Hungary	17	37	25	25	21
Poland	21	38	30	27	26
Imports into:		[b]			
Bulgaria	59	63	46	42	54
Czechoslovakia	16	39	35	33	37
Eastern Germany	42	47	36	42	47
Hungary	15	30	19	23	36
Poland	29	37	34	34	34

Sources : Annex Table VI-A.

[a] Peak year was 1952 for Bulgaria, 1953 for Hungary and 1954 for other countries.

[b] Peak year was 1951 for Bulgaria, 1954 for Poland and 1953 for other countries.

reflects the general failure to carry very far specialization within the group, and the widespread tendency for exportable surpluses of fuels and materials to grow slowly at the same time as most countries became more self-sufficient in engineering production ; it also reflects rising needs for goods obtainable only from outside the group. In 1957 only Czechoslovakia, eastern Germany and Poland appear significantly to have expanded trade among themselves.

Intra-eastern European trade [a] as a percentage of the total trade of these countries

1948	21	1953	32
1950	30	1954	28
1951	29	1955	28
1952	32	1956	26

[a] Six countries, excluding Albania.

A striking feature of the development of the trade of the eastern trade area has been the rapid growth of the trade of Mainland China and its increasing concentration within the area,[8] though with a stabilization of transactions with eastern Europe in recent years :

Trade of Mainland China

Millions of dollars

	1950	*1953*	*1954*	*1955*	*1956*
Total exports	688	1,037	1,210	1,400	1,600
of which to :					
Soviet Union	188	475	600	696	764
Eastern Europe	14	176	204	235	235
Other eastern group	—	27	45	55	65
Total imports	926	1,200	1,280	1,306	1,500
of which from :					
Soviet Union	388	678	700	696	733
Eastern Europe	18	190	264	250	262
Other eastern group	—	18	30	50	60

Sources : As for Table 1.

NOTE. — All data are estimates except for Soviet trade in 1950, 1955 and 1956.

Despite the more rapid growth of East-West trade than of trade within the eastern trading area since 1954, there is still an overhelming concentration of the foreign trade of the Soviet Union and each of the eastern European countries within the eastern trading group (see Chart 1).

The growth of East-West trade in Europe has raised exports from the Soviet Union to western Europe from 10 per cent of the total in 1950 to 18 per cent in 1956 and imports from that region from 10 per cent to 14 per cent. The share of Soviet trade with overseas countries has remained practically unchanged (at about 7-8 per cent for exports and 11-12 per cent for imports).

For the countries of eastern Europe, however, a rapid rise in imports of foodstuffs from overseas — mainly under-developed — countries, and a correspondingly rapid growth of exports of materials and equipment to these countries, have contributed to raising the share of these areas in the total imports of five eastern European countries from about 5 per cent in 1952 to 7$^1/_2$ per cent in 1956 and their share in the total exports of the five from 5 per cent to nearly 9 per cent.[9] The share of imports from western Europe in total trade rose less — from 22 per cent to nearly 25 per cent — over the same period, and the share of exports to western Europe hardly at all — from 23 per cent to 24 per cent (see Table 3).

The most noticeable features of the changes in the commodity pattern of trade with the whole western trade area have been the disappearance of the eastern European import surplus in the machinery sector and its replacement by a fairly large export surplus, and the countervailing change from an export surplus to an import surplus in foods and feeding-stuffs.

---

[8] The change took place, as might be expected, in 1951 :

Percentage shares in Chinese (mainland) trade

	1950		*1951*	
	Imports	*Exports*	*Imports*	*Exports*
Soviet Union	19.8	26.6	44.7	51.5
Eastern Europe	1.4	3.9	25.3	26.4
Other	78.8	69.5	30.0	22.1

Source : D. Shcherbina in *Voprosy Ekonomiki* No. 3, 1952.

[9] Since trade is recorded by all the countries of eastern Europe and the Soviet Union on a "transactions" rather than a "shipments" basis, apparent shifts between the major trade areas may reflect changes from direct to indirect purchase or vice versa. In the course of the period covered by the figures in this chapter, eastern European countries have probably shifted increasingly to direct trade.

TABLE 3

Trade of five eastern European countries[a] by main areas and main commodity groups

Millions of current dollars

	Eastern trade area			Western Europe			Overseas			Total world		
	1952	1955	1956	1952	1955	1956	1952	1955	1956	1952	1955	1956
Exports												
Machinery and equipment	782	1 395	1 385	53	107	122	21	87	169	856	1 589	1 676
Consumers' manufactures	239	216	..	66	136	..	56	84	..	361	436	..
Fuels and raw materials	850	1 033	..	355	484	..	39	129	..	1 244	1 646	..
Food	295	277	282	213	223	237	33	42	35	541	542	554
TOTAL	2 166	2 921	3 104	687	950	1 105	149	341	402	3 002	4 213	4 611
Imports												
Machinery and equipment	437	526	630	172	94	122	—	3	8	609	623	760
Consumers' manufactures	173	260	..	45	68	..	—	3	..	218	331	..
Fuels and raw materials	1 117	1 283	..	383	536	..	141	160	..	1 641	1 980	..
Food	519	561	633	106	285	215	21	107	136	645	953	984
TOTAL	2 246	2 630	2 892	706	983	1 029	162	274	325	3 113	3 887	4 246
Balance												
Machinery and equipment	+345	+869	755	−119	+13	—	+21	+84	+161	+247	+966	+916
Consumers' manufactures	+66	−44	..	+21	+68	..	+56	+81	..	+143	+105	..
Fuels and raw materials	−267	−250	..	−28	−52	..	−102	−31	..	−397	−334	..
Food	−224	−284	−351	+107	−62	+22	+12	−65	−101	−105	−411	−430
TOTAL	−80	+291	+212	−19	−33	+76	−13	+67	+77	−111	+326	+365

Sources: Appendix Table XXXIV, *Razvitie ekonomiki evropeiskich stran narodnoi demokratü*, 1957, p. 59, foreign trade statistics of western European and overseas countries.

[a] Bulgaria, Czechoslovakia, eastern Germany, Hungary, Poland. For a note on differences in definitions of the main commodity groups, see Appendix Table XXXIII.

2. THE COMMODITY COMPOSITION OF TRADE

The general characteristics of the commodity composition of the trade of the eastern European countries and the Soviet Union have not changed greatly in recent years, though there have been striking changes in balances of trade in different commodity sectors (see Chart 2). The Soviet Union has to an increasing extent become a net importer of manufactured goods and net exporter of fuels and of raw materials, while the situation of the eastern European countries as a group is the reverse. The Soviet Union has a falling export surplus of foodstuffs, while eastern Europe has become a net import area.

Within eastern Europe, imports of machinery and equipment in real terms have probably risen little, if at all, over the last four or five years, reflecting the growth of domestic engineering production and the slowing down of investment in most countries, while commercial exports of these goods have expanded towards the Soviet Union and — even more in proportion though less in absolute amount — to western European and overseas countries. The machinery sector now accounts for more than one-third of the total value of exports as compared with one-fifth in 1950, but in recent years the share has changed little. Fuels and raw materials continue to account for about 40 per cent and about 50 per cent respectively of the eastern European group's exports and imports (66 per cent and 55 per cent in 1956 in the Soviet Union) and the net import surplus in this sector changed little until 1955 and 1956. The reduction then was probably due mainly to payments difficulties — particularly in Hungary and Poland — which enforced an expansion of exports or cut in imports. The character of the area as a net importer of food[10] has become steadily more pronounced, and the share of food in the total exports of the group has fallen to a level in 1956 only half of what it was in 1950 — though changes in relative prices may have contributed to this decline. The long neglect of consumer-goods' industries combined with the effects of rising domestic needs for these goods and — in eastern Germany especially — with difficulties in finding remunerative export markets, are reflected in the stagnation of exports in this sector at a very low level, everywhere except in Bulgaria and Rumania up to 1956 — when Czechoslovak and eastern German exports began to rise. Imports of consumers' goods, however, also remain very small.[11]

---

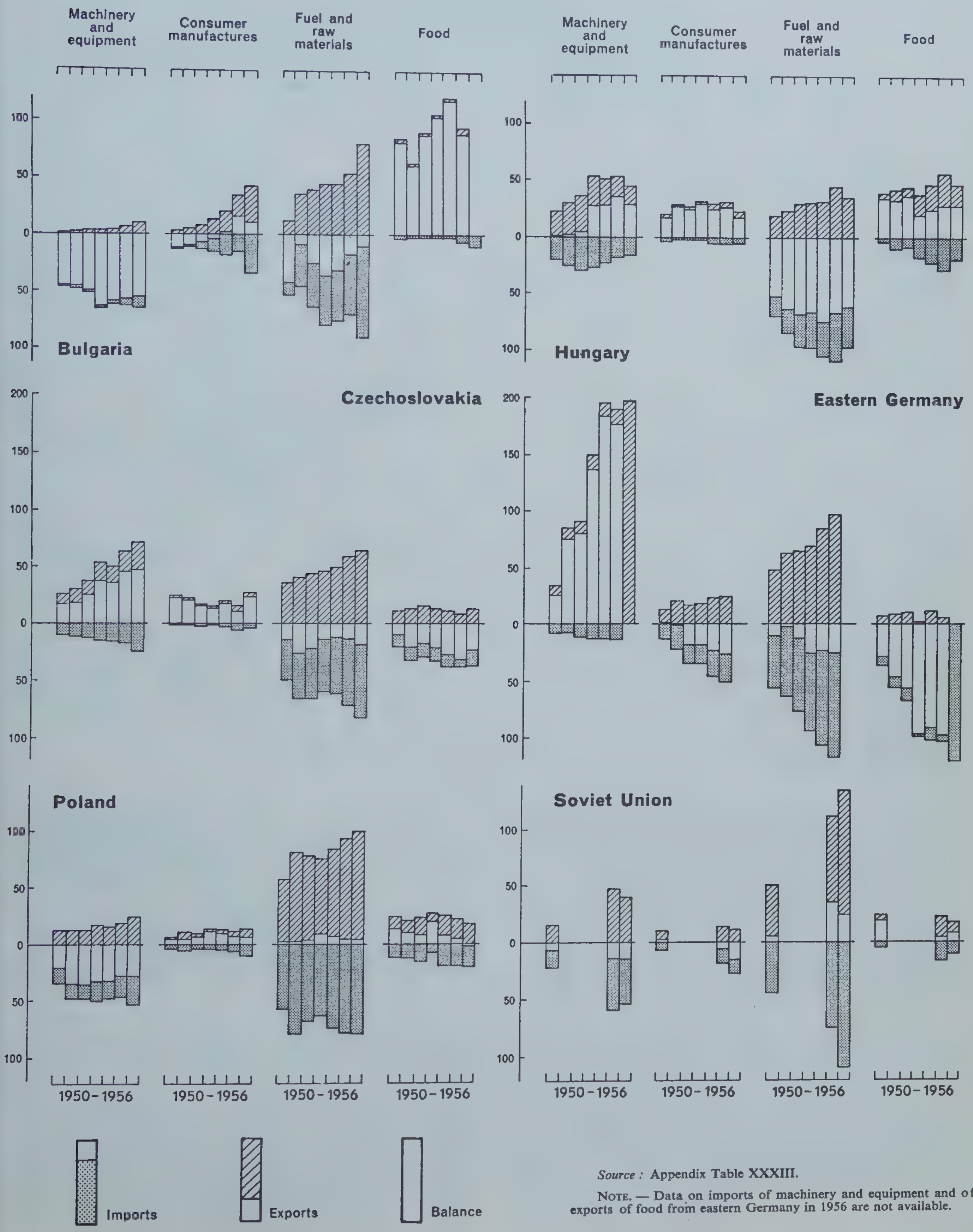
[10] Including beverages and tobacco.

[11] The imports of these goods into eastern Germany shown in Chart 2 and in Appendix Table XXXIV include textile raw materials.

CHART 2

Composition of foreign trade of five eastern European countries and the Soviet Union by main commodity groups, 1950 to 1956

Index numbers based on values in current U.S. dollars (total exports in 1950 = 100)



Source: Appendix Table XXXIII.

NOTE. — Data on imports of machinery and equipment and of exports of food from eastern Germany in 1956 are not available.

TABLE 4

Commodity composition of exports and imports in the Soviet Union and five eastern European countries in 1950 and 1956

Values in millions of current dollars, and percentages

	Soviet Union		Eastern Germany		Czechoslovakia	Poland	Hungary		Bulgaria	
	1950	1956	1950	1955	1956	1956	1949	1955	1952	1956
Total value of exports	1 795	3 669	406	1 278	1 387	985	280	609	171	339
Percentage of total exports :										
Machinery and equipment	16.3	19.5	31.8	60.4	40.3	15.6	17.4	29.4	2.2	3.5
Fuels and raw materials	50.7	66.1	47.5	29.8	36.9	63.8	22.2	23.9	27.6	36.9
of which :										
Fuels and energy	1.8	8.9	14.0	8.0	5.0	43.2	2.7	2.7	. .	. .
Metal ores	. .	. .	. .	. .	20.2	. .	0.9	3.3	. .	. .
Metals	12.6	14.2	0.3	1.7		11.3	6.6	8.5	—	5.9
Chemicals	. .	. .	21.9	17.0	2.4	2.7	. .	. .	1.2	1.2
Timber and timber products	2.9	3.6	3.8	1.1	3.1	3.0	. .	. .	3.1	2.7
Cotton, other fibres and hides	15.5	10.2	. .	. .	1.4	. .	. .	. .	2.0	0.8
Manufactured consumers' goods	8.9	5.6	13.8	7.8	15.4	8.9	17.2	16.2	4.8	15.3
of which :										
Textiles, clothing, shoes	2.7	1.0	6.8	5.1	8.8	5.2	11.8	9.7	0.4	11.2
Metal consumers' goods	. .	. .	1.2	0.9	1.1	. .	1.7	1.6	. .	. .
Food, etc.	24.1	8.8	6.9	2.0	7.4	11.7	43.2	30.5	65.4	44.3
Total value of imports	1 456	3 613	470	1 173	1 186	1 022	288	534	158	248
Percentage of total imports :										
Machinery and equipment	27.1	26.6	8.1	4.7	17.2	33.2	17.4	11.4	39.9	32.7
Fuels and raw materials	56.6	55.1	49.6	41.3	55.0	48.6	76.4	67.6	48.1	45.2
of which :										
Fuels and energy	7.8	3.9	18.4	17.2	8.6	4.7	7.6	7.4	6.5	6.0
Metal ores	1.7	11.1	. .	. .	15.8	7.8	2.8	3.7	. .	. .
Metals	9.3	5.9	16.9	14.5		4.7	14.0	11.2	15.0	17.6
Chemicals and rubber	3.8	3.0	8.6	6.4	8.7	5.2	6.6	5.5	10.5	8.4
Timber and timber products	. .	. .	0.5	0.7	1.5	1.3	9.1	9.3	3.5	3.4
Cotton, fibres and hides	5.7	4.6	. .	. .	14.2	15.3	21.3	16.6	11.4	9.4
Manufactured consumers' goods	9.6	13.1	10.8	17.9	3.2	5.8	2.7	3.4	10.1	17.3
of which :										
Textiles, clothing, shoes	4.7	4.1	10.4	15.8	0.9	2.0	. .	. .	. .	. .
Metal consumers' goods	. .	. .	. .	. .	1.2	. .	. .	. .	0.6	1.0
Food, etc.	6.7	5.2	31.5	36.1	24.6	12.4	3.5	17.6	1.9	4.8

Sources : See Appendix Table XXXIII; *Adatok és adalékok a népgazdazág helyzetének tannlmányozasához*, 1949-1955, pp. 323, 324 and 327.

NOTE. — The figures in the table, derived from national statistics, differ from the apparent coverage of the commodity group headings in the following cases:

For the Soviet Union, only textile fabrics are shown under " textiles, clothing and shoes ", and only natural rubber under " imported chemicals and rubber ".

For eastern Germany, energy and all mining products are shown under " fuel and energy ", all chemical products under " chemical raw materials "; hides are grouped with " timber and timber products "; raw materials for the textiles, clothing and shoe industries are shown under " finished products ".

For Hungary, only fibres are shown under " cotton, other fibres and hides ".

Differences in the definitions of the four main commodity groups for the Soviet Union and eastern Germany are those shown in Appendix Table XXXIII.

The hazard of harvest fluctuations in those countries where food accounts for an important share of trade seems to influence these comparisons to an important extent only for Hungary. There the year 1955 followed an extremely unfavourable harvest, whereas 1949 followed a good harvest. For other countries, the years shown are years of more or less normal trade in foodstuffs.

Each of the six eastern European countries for which data exist, apart from Poland and Rumania, is a net importer of fuels and raw materials. Each has also a large export trade, and in Poland and Rumania both imports and exports are concentrated in this sector to a much greater extent than elsewhere. Only in Bulgaria, where exports of non-ferrous metals and ores have been greatly expanded, has the net dependence on imports of fuels and raw materials significantly diminished. Bulgaria, Hungary and Poland are the only countries of the group with significant net export surpluses of foods and feeding-stuffs, for which the net import dependence of eastern Germany and, to a lesser extent, Czechoslovakia has steadily increased. Of these last two countries eastern Germany has developed the most

TABLE 5

Trade in hard coal in eastern Europe and the Soviet Union

Thousands of tons

Exporting countries	Year	Importing countries							Total exports
		Czechoslovakia	Eastern Germany	Hungary	Other eastern European countries	Total eastern Europe	Soviet Union	Western Europe	
Bulgaria	1950	—	—	72	—	72	—	—	72
	1953	—	—	10	—	10	—	—	10
	1954	—	—	—	—	—	—	—	—
	1955	—	—	—	—	—	—	—	—
	1956	—	—	192	—	192	—	—	192
	1957	..	..	..	..	..	..	..	..
Czechoslovakia . . .	1950	—	350	46	25	421	..	300	721
	1953	—	—	198	—	198	..	208	406
	1954	—	50	215	17	282	..	166	448
	1955	—	30	247	55	332	..	218	550
	1956	—	100	100	187	387	..	169	556
	1957	—	..	..	..	..	..	..	..
Poland	1950	3 966	3 117	217	—	7 300	8 600	10 561	26 461
	1953	4 420	3 962	579	—	8 961	8 406	6 868	24 235
	1954	3 854	4 052	589	—	8 495	8 967	6 773	24 235
	1955	3 690	3 810	546	—	8 046	8 210	7 890	24 146
	1956	3 371	2 535	377	—	6 283	6 140	6 764	19 187
	1957 [a]	..	..	..	..	..	..	..	..
Three eastern European exporting countries	1950	3 966	3 467	335	25	7 793	8 600	10 861	27 254
	1953	4 420	3 962	787	—	9 169	8 406	7 076	24 651
	1954	3 854	4 102	804	17	8 777	8 967	6 939	24 683
	1955	3 690	3 840	793	55	8 378	8 210	8 108	24 696
	1956	3 371	2 635	669	187	6 862	6 140	6 933	19 935
	1957	..	..	..	..	..	..	..	
Soviet Union	1950	—	—	..	..	—	—	—	..
	1953	—	2 199	..	..	2 119	—	534	2 653
	1954	552	2 367	125	—	3 044	—	893	3 937
	1955	376	2 160	—	—	2 536	—	1 470	4 006
	1956	80	2 693	147	80	3 000	—	2 427	5 427
	1957	..	..	..	..	..	—	..	..
Western European exports to eastern Europe	1950	—	—	—	—	—	—	—	—
	1953	—	—	—	—	—	—	—	—
	1954	—	36	—	—	36	—	—	36
	1955	—	338	—	—	338	—	—	338
	1956	—	312	—	—	312	—	—	312
	1957	..	..	..	..	..	—	—	
Total of imports from listed exporting countries	1950	3 966	3 467	335	25	7 793	8 600	10 861	27 254
	1953	4 420	6 081	787	—	11 288	8 406	7 610	27 304
	1954	4 406	6 505	929	17	11 857	8 967	7 832	28 656
	1955	4 066	6 338	793	55	11 252	8 210	9 578	29 040
	1956	3 451	5 640	816	267	10 174	6 140	9 360	25 674
	1957	..	6 035	2 382	..	..	..	..	..

Sources : Statistical yearbooks and bulletins; *Der Aussenhandel*, No. 21, 1957 (for trade between the Soviet Union and eastern Germany); information given by the Soviet Government to the secretariat (Soviet Union in 1956); information given by the Polish Government to the Research and Planning Division of ECE (Poland in 1956); and foreign trade statistics published by western European countries.

NOTE. — In adjusting details to known totals, small differences were included in trade with the largest supplier or buyer. Larger residuals have been assumed to originate in intra-eastern trade, except that differences amounting to 2 to 4 per cent of total Polish exports have been assumed to represent western trade, since the major items in intra-eastern trade were known.

[a] January-November at yearly rate.

highly specialized export trade, concentrated on engineering products to an even greater extent than is Poland's on fuels and materials, while elsewhere exports have remained or become more diversified. Moreover, about 85 per cent of eastern German exports of manufactured goods go to the eastern trade area, whereas Czechoslovakia has a more varied pattern of manufactured exports of which more than one-third go to western markets. The almost complete devotion of export earnings to the purchase of imported fuels and raw materials is the most striking feature of the Hungarian trade pattern.

The development of trade in some of the major items or commodity groups making up the imports and exports of the Soviet Union and the eastern European countries is described in more detail in the remainder of this section, and the commodity compositions for individual countries are summarized in Table 4.

Fuels

The extent to which rising consumption of all forms of energy in eastern Europe has outstripped the growth of output and reduced the traditional export surplus of the area has already been noted in Chapter I.[12] As can be seen from Tables VI B and D at the end of this chapter, this has occurred despite a more than 20 per cent growth in hard coal output in eastern Europe during the years from 1950 to 1957, a more than 50 per cent increase in brown-coal production and a more than doubling of oil production.

The falling coal exports from Poland since 1953, as domestic consumption absorbed a rising share of output, have adversely affected not only Poland's export earnings — in the western as well as in the eastern trade area — but also the supplies available to Czechoslovakia, eastern Germany and Hungary. The fall in output and exports was particularly abrupt in 1956 (see Table 5) as a result of reduced overtime working and other special factors. Soviet exports to eastern Europe were increased and imports diminished as Polish supplies fell, but not sufficiently to fill the gap in that year, though they made a greater contribution in 1957. Nevertheless, the Soviet Union remains, on balance, a net importer of energy from eastern Europe and a net exporter to other areas.

Oil imports into the deficit countries of eastern Europe have risen steadily in recent years (see Table 6) and they also rose sharply in 1956 in Hungary where domestic production ran into difficulties even before the last quarter of the year. The greater part of supplies is purchased from the Soviet Union but this represents to some extent a resale of supplies from other sources.

Direct Rumanian exports to other eastern European countries are only some 9 to 10 per cent of the total sales — of which over 80 per cent in value was sold to the Soviet Union up to 1953 and a regular 63 per cent in each of the three subsequent years :

Petroleum sales by Rumania in 1956

	Thousands of tons	*Percentage*
Soviet Union . . .	3 520	63
Eastern Europe . .	580	10
Western Europe . .	1 130	20
Egypt	370	7
Total	5 600 *	100

Sources : Foreign trade statistics of the importing countries for eastern and western Europe; *Republic of Egypt : Monthly Summary of Foreign Trade*; *Probleme Economice*, No. 10, 1957; *Vneshnyaya Torgovlya*, No. 11, 1957, p. 41.

In 1955 exports to western Europe had been rather higher (1.5 million tons) ; and of the combined total of exports to western Europe and Egypt 17 per cent was motor spirit, 30 per cent kerosene, 49 per cent fuel oils and 4 per cent other products.

The role of the Soviet Union as a broker in eastern European trade in fuels is striking. Non-commercial deliveries of oil by Austria (on reparations account) have been shipped directly to eastern European countries on a considerable scale (see Table 7) and these sales are included in the following figures : [13]

Sales by the Soviet Union to eastern Europe

	Hard coal	*Petroleum*	*Hard coal*	*Petroleum*
	Thousand tons		*Percentages of Soviet imports from eastern Europe*	
1953	2 119	1 931	25	. .
1955	2 536	2 235	31	55
1956	3 000	2 861	49	81

Sources : Tables 5 and 6.

a Crude and refined products added ton for ton.

The Soviet Union reduced its import surplus in fuels with eastern Europe in 1956 and seems to have gone further in this direction in 1957 — a tendency which, if it continues, could help further to offset the impact on the fuel deficit countries of lower Polish supplies of coal than in the past[14] and very slowly rising output of Rumanian oil. Fuel shortage is a

---

[12] See Chapter I, section 2, and also Appendix Table XLII.

[13] It may be roughly calculated that resales represented about one-quarter of all Soviet oil sales in 1956, and about two-thirds of all Soviet coal sales. Applied to the percentage breakdown of Soviet exports by value — Soviet re-exports of fuels are seen to be some 6 per cent of total Soviet exports. As Soviet re-exports are " less than 10 per cent of exports ", these fuel transactions thus represent some two-thirds of total Soviet re-export trade (see *Narodnoe Khozyaistvo S.S.S.R. v 1956 godu*, p. 240 and *Vneshnyaya Torgovlya*, No. 11, 1957, p. 40).

[14] The 1960 plan target for Poland envisages coal and coke exports some 8 per cent below the 1955 level though above those of 1956 or 1957.

TABLE 6

Imports of crude and refined oil by eastern European countries

Thousands of tons

Importing country	Year	Total imports		Supplying countries					
				Soviet Union		Rumania	Eastern Germany	Other	
		Crude	Refined	Crude	Refined	Refined	Refined	Crude	Refined
Bulgaria	1953	—	326	—	262	54	—	—	10
	1954	—	343	—	64	241	—	—	38
	1955	—	372	—	117	205	—	—	50
	1956	—	451	—	154	237	—	—	60
	1957 [a]	..	584	..	..	..	..	..	..
Czechoslovakia [b]	1953	..	605	—	450 *	..	..	..	155 *
	1954	..	935	—	550 *	..	..	..	385 *
	1955	..	1 060	—	650 *	..	..	..	410 *
	1956	..	1 176	—	750 *	..	..	..	426 *
	1957 [a]	..	1 600	..	..	..	..	..	..
Eastern Germany	1953	460	—	460	—	—	—	—	—
	1954	591	—	546	—	—	—	45	—
	1955	648	—	619	—	—	—	29	—
	1956	798	—	765	—	—	—	33	—
	1957	998	..	..	..	..	—	..	..
Hungary	1953	324	110	324	..	76	—	—	34
	1954	316	80	316	..	41	24	—	15
	1955	232	106	198	..	45	6	34	55
	1956	324	129	324	129	..	..	—	—
	1957	..	..	..	..	..	..	..	..
Poland [c]	1953	412	535	279	156	211	123	133	45
	1954	463	716	345	288	201	160	118	67
	1955	545	886	412	239	281	229	133	137
	1956	537	952	511	357	294	155	26	146
	1957 [a]	626	1 112	617	632	297	100	9	74
Total of five importing countries	1953	1 196	1 576	1 063	868	341	123	133 [d]	244
	1954	1 370	2 074	1 207	902	483	184	163 [d]	505
	1955	1 425	2 424	1 229	1 006	531	235	196 [d]	652
	1956	1 659	2 708	1 600	1 261	815		59	632
	1957	2 620	..	..	..	..		..	..

Sources : statistical yearbooks and bulletins; *Der Aussenhandel*, No. 11, 1957 (for imports of eastern Germany from the Soviet Union).

NOTE. — Refined products — ton for ton.

[a] January-September at yearly rate.

[b] The shares of crude and refined oil in imports into Czechoslovakia are not known and the total is shown under refined oil. The information for 1957 indicates that a substantial part of imports (probably one-half) is crude.

[c] The following details have been released on Poland's crude oil imports from other supplying countries:

	1953	*1954*	*1955*	*1956*
From Bulgaria	—	—	19	6
From Hungary	25	26	53	20
From Rumania	78	58	36	—
From western Europe	30	34	25 *	—

[d] Details of Hungary's crude oil exports by countries of destination are the following:

	1953	*1954*	*1955*
To Czechoslovakia	12	63	10
To eastern Germany	12	44	29
To Poland	25	26	53
To western Europe	—	24	64
Total exports	49	157	156

constant hindrance to expansion in eastern Germany and Hungary and, to a lesser extent, in Czechoslovakia, and the importing countries are forced to rely increasingly on poor quality — and frequently high-cost — domestic supplies. The share of mineral oil in total fuel consumption is low in all these countries apart from Rumania, and exceptionally low in Czechoslovakia and eastern Germany.[15] The growth of the share of brown coal in total consumption in these countries, for example, can be seen from the figures in Table VI-D.

---

[15] In 1955, the share of crude and refined petroleum (excluding home-produced coal distillation products) was 3.7 per cent in Czechoslovakia and 1.2 per cent in eastern Germany.

TABLE 7

Sales by the Soviet Union of crude and refined oil products from Austrian non-commercial deliveries

Importing country	Year	Thousands of tons	As percentage of all Soviet oil sales
Czechoslovakia . . .	1953	450[a]	100 *
	1954	400[a]	73 *
	1955	591	91 *
	1956	357	48 *
Eastern Germany . .	1953	463	100
	1954	542	99
	1955	475	77
	1956	429	56
Hungary	1953	320[a]	99
	1954	300[a]	95
	1955	309	100
	1956	249	55
Poland	1953	374	86
	1954	508	80
	1955	407	63
	1956	341	39
Total of countries listed	1953	1 607	96
	1954	1 750	86
	1955	1 782	84
	1956	1 376	49

Sources: Monatsberichte des Österreichischen Instituts für Wirtschaftsforschung, Beilage Nr. 33, 1955, p. 9; Beilage Nr. 42, 1956, pp. 12-13; Nr. 46, 1957, p. 6; and Table 6 above.

NOTE. — All Soviet deliveries from Austria to eastern Germany and Hungary most probably consisted of crude (except for 81,000 tons of refined products to Hungary in 1955). No distribution between crude and refined products is given for Soviet exports from Austria to Czechoslovakia; for exports to Poland the following distribution is available:

	1953	*1954*	*1955*
Crude	229	286	258
Refined products	145	222	149

[a] Distribution estimated from known totals of deliveries to Czechoslovakia and Hungary.

In Hungary coal production is being developed despite an average output per man shift so much lower than in other countries that it must indicate a real cost disadvantage. Output per man shift worked underground in 1955 was on the average 1,684 kg. of hard coal enquivalent in Poland, 1,667 in deep mines in the Soviet Union and 615 in Hungary, and comparisons for other years are not significantly different.[16] Czechoslovakia and eastern Germany, however, are co-operating in the development of open-cast brown-coal mines and hard-coal mines in Poland for export production.[17]

Steel and Steel-making Materials

The tremendous expansion of steel production in eastern Europe and the Soviet Union during the post-war period has not been accompanied by any corresponding rise in trade in crude or finished steels. In 1955 and 1956 about 5 per cent of the combined rolled-steel output of the Soviet Union and the six eastern European countries was exported (see Tables VI-E and F). The specialization within eastern Europe so often talked of in the past seems not to have gone very far; and the lion's share of the export trade of the six countries is with western Europe and overseas areas while their imports are drawn mainly from the Soviet Union and western Europe (see Table 8).

Variations in the technical efficiency of the industries in the various countries seem to be very marked (see Table 9), with the highly efficient Soviet steel industry very much ahead of those of Czechoslovakia, Poland and eastern Germany — which have all three set practically identical targets for standards to be reached by 1960. In most cases the lower efficiencies at the present time must be due at least in some part to irregular supplies of materials, and possibly also to poor quality of the ores available. A startling comment on the economics of steel production in eastern Europe comes from Hungary, is the report that foreign exchange expenditure on the imports of iron ore and coke required for current levels of steel output exceeds what would be needed to purchase equivalent amounts of imported steel billets.[18]

Trade in steel-making materials — iron ore and metallurgical coke — has become an important item in the foreign trade of the region. In the six eastern European countries imported iron ore supplies are double the quantities produced within these countries; and the Soviet Union, which exports more than 10 per cent of its iron ore production, provided in 1955 and 1956 nearly 80 per cent of all imports into the five importing countries. Half of the rest of imports came from western Europe and the remainder from other sources — including Mainland China and a potentially important near-by supplier, Bulgaria (see Table 10).

The Soviet Union also supplied virtually all eastern Europe's imports of pig iron in 1955 and 1956, and about half of its own exports went to that area.

Non-ferrous metals

The Soviet Union is likewise the major producer of non-ferrous metals in the region, in which shortage of these metals has until recently been acute. This is,

---

[16] Data supplied by the Governments of Poland and the Soviet Union; *Magyar Statisztikai Evkönyv*, 1949–1955, and *Statisztikai havi Közlemények*, No. 9, 1957.

[17] See section 5.

[18] *Statisztikai Szemle*, No. 7, 1957.

TABLE 8

Exports (+) and imports (−) of pig iron and rolled steel in eastern European countries and the Soviet Union by main trade areas

	1955						1956					
	Soviet Union	Eastern Europe	China	Western Europe	Overseas and unspecified	Total	Soviet Union	Eastern Europe	China	Western Europe	Overseas and unspecified	Total
Bulgaria												
Pig iron	−70	—	—	—	—	−70	−99	−5	−10	−5	−2	−121
Rolled steel	−84	−39	—	−16	−3	−142	−98	−42	—	−17	−9	−166
Czechoslovakia												
Pig iron	−98	—	—	—	−58	−156	−129	—	—	—	−43	−172
Rolled steel	—	—	—	+131	+650	+781	—	—	—	+217	+503	+720
Rolled steel	—	—	—	−13	−29	−42	—	—	—	−121	−26	−147
Eastern Germany												
Pig iron	−258	—	—	—	−36	−294	−302	—	—	—	−42	−344
Rolled steel	−408	−18	—	−124	−97	−647	−474	—	—	−207	−97	−778
Hungary												
Pig iron	—	+14	—	—	—	+14	—	+20	—	—	—	+20
Pig iron	−110	—	—	—	−10	−120	−105	—	—	—	−14	−119
Rolled steel	+14	+8	—	+8	+74	+104	+7	—	—	+37	+55	+99
Rolled steel	−23	—	—	−35	−12	−70	—	—	—	−45	−12	−57
Poland												
Pig iron	−2	—	—	—	—	−2	−1	—	—	—	—	−1
Rolled steel	+52	+36	+54	+41	+42	+225	+32	—	—	+126	+308	+466
Rolled steel	−33	—	—	−96	—	−129	−46	—	—	−137	—	−183
Rumania												
Pig iron	−13	—	—	—	—	−13	−13	—	—	—	—	−13
Rolled steel	−199	—	—	−48 *	..	−247*	−275	—	—	−43 *		−318*
Total of six countries												
Pig iron	—	+14	—	—	—	+14	—	+20	—	—	—	+20
Pig iron	−551	—	—	—	−104	−655	−649	−5	−10	−5	−101	−770
Rolled steel	+66	+44	+54	+180	+766	+1110	+39	—	—	+380	+866	+1285
Rolled steel	−747	−57	—	−332	−141	−1277	−893	−42	—	−570	−144	−1649
Soviet Union												
Pig iron	—	+551	..	+554	+44	+1149	—	+649	..	+660	+45	+1359
Pig iron	—	—	..	—	−583	−583	—	—	..	—	498	−498
Rolled steel	—	+762	..	+115	+634	+1511	—	+923	..	+170	+737	+1830
Rolled steel	—	−45	..	−41	—	−86	—	−52	..	−493	−52	−597

Sources: Statistical yearbooks and monthly statistical bulletins; direct communications by the Governments of Czechoslovakia, Poland and the Soviet Union: *Commodity Trade Statistics*, United Nations, and national foreign trade statistics of overseas countries.

however, a sector for which relevant data are particularly deficient. Such as exist are assembled in Table 11. They suggest that the Soviet Union probably produces about five times as much aluminium as all the eastern European producers combined and is probably the main source of imports into these countries as well as being a substantial exporter to western countries. Hungarian bauxite or alumina provides the basis for the aluminium production of the other eastern European countries, as well as supplying part of the needs of the Soviet Union — 80 per cent of which are, however, met from home ores. A recent study in Hungary[19] concluded that it would be worth while to establish large-scale aluminium production on the basis of imported fuel oil; and if any such development were in fact undertaken the pattern of output and trade in the area might be significantly changed.

Soviet production of copper appears to be even more overwhelmingly the main source of supply within

---

[19] See *Közgazdasági Szemle* No. 10, 1957, pp. 1039-1060.

TABLE 9

Indicators of technical efficiency of pig iron and crude steel production in eastern Europe and the Soviet Union

Tons

Country and year	Pig iron: Dry coke consumption per ton of output	Pig iron: Daily output in tons per cubic metre of furnace space	Crude steel: Daily output in tons per square metre of furnace floor
Hungary:			
1955	1.220	0.76	. .
1956	1.198	0.76 [a]	. .
Rumania:			
1955	. .	0.69	3.55
1956	1.204	0.70	3.88
Eastern Germany:			
1955	1.390	0.69 [b]	4.45
1956	1.498	0.69 [b]	4.82
1960 (plan) . .	. .	1.00	5.65
Poland:			
1955	1.104	0.745	4.38
1956	1.04	0.801	4.63
1960 (plan) . .	. .	1.00	6.00
Czechoslovakia:			
1955	1.202	0.746	4.698
1956	1.151	0.836	5.244
1960 (plan) . .	. .	0.990	6.00
Soviet Union:			
1955	0.880	1.25	6.55
1956	0.862	1.28	7.21
1960 (plan) . .	. .	1.43	. .

Sources : The European Steel Market in 1956, United Nations, Geneva, 1957; *Statisztikai evkönyv*, 1949-1955; *Statisztikai havi Közlemények*, No. 8, 1957; *Probleme Economice*, No. 11, 1957: *Statistisches Jahrbuch*, 1956; *Promyshlennost SSSR*, pp. 109, 117-122; J. M. Montias, " The Polish Iron and Steel Industry ", *The American Slavic and East European Review*, No. 3, 1957.

NOTE. — Furnace capacity for pig-iron is computed exclusive, but for steel inclusive, of cold-time while under repair.

[a] January-September.

[b] Only blast furnaces (excluding low-shaft furnaces).

the area ; and the Soviet Union seems to be the main exporter to these countries, and to others outside the region, though it also imports from outside sources.[20]

Poland is the major eastern European producer of zinc (based partly on imported concentrates), and probably a larger exporter than the Soviet Union. Of the total Polish exports shown in the table, more than half went to the Soviet Union, one-third to eastern European importers and about one-fifth to other countries, including Brazil.

Bulgaria is rapidly developing production and exports of lead, zinc and copper, though the quantities are still relatively small. Albania supplies eastern Europe's demand for chrome ore (167,000 tons in 1957) while Soviet exports of about the same amount (175,000 tons in 1956) are sold on the western market.

Timber

The impact of rising domestic needs, and in some instances of past over-cutting, on the timber trade of the eastern European countries is illustrated by the figures in Table 12. Net export surpluses have fallen or at best stabilized ; import surpluses have risen during the 1950s everywhere in eastern Europe, and the net export surplus of the group is now only about 40 per cent of the pre-war level. The Soviet Union, however, has rapidly built up its production and net exports in recent years though the latter remain a still smaller fraction of the pre-war volume than are those in eastern Europe.

The dependence of the eastern European countries on timber imports from western Europe — mainly from Finland into eastern Germany and Hungary — has increased, and only Rumania is a significant exporter to other countries in the group and to the Soviet Union. The pre-war Rumanian exports to western Europe have recently begun to be restored.

The changing structure of trade between the eastern European countries and the Soviet Union on

TABLE 10

Trade in iron ore in eastern Europe and the Soviet Union [a]

	1955	1956	1955	1956
	Thousands of tons		Percentage of total	
Exports to eastern Europe from :				
Bulgaria	120	156	100	100
Soviet Union	8 818	9 124	100	100
Imports into five eastern European countries [b] from :				
Soviet Union	8 806	9 096	79	79
Eastern Europe	116	171	1	1
China	241	190	2	2
Western Europe . . .	967	1 148	9	10
Other	1 074	939	10	8
Total	11 204	11 544	100	100

Sources : See Table VI-E.

[a] Quantities were added ton for ton without allowing for differences in pure Fe content.

[b] Czechoslovakia, eastern Germany, Hungary, Poland, Rumania.

---

[20] The rise in copper imports into these countries from sources outside the eastern trade area can be seen from the following figures (based on statistics of exporting countries) in thousands of tons:

	1954	*1955*	*1956*
Czechoslovakia	3	7	4
Poland	4	8	9
Soviet Union	7	39	49

TABLE 11

Production and trade in non-ferrous metals in eastern Europe and the Soviet Union in 1956

Thousands of tons

Country	Copper			Zinc			Aluminium		
	Output	Exports	Imports	Output	Exports	Imports	Output	Exports	Imports
Bulgaria	4.6	4.5	7.4	5,8	3.2	0.3	—	—	1.6
Czechoslovakia	—	—	26,6	—	—	. .	21.2	3.3	. .
Eastern Germany	17	. .	. .	—	—	21,0	26 [a]	. .	9.0
Hungary	8 [a]	—	8,7	—	—	. .	35	5,2	. .
Poland	20	—	9,0	153	96	—	21,8	. .	4.0
Soviet Union	488	55 [b]	52 [c]	250 *	28 [d]	52 [c]	500 *	80 [d]	19 [c]

Sources : Statistical yearbooks and bulletins and direct communications from governments.

[a] 1955.

[b] Eastern trade area only.

[c] Including rolled product.

[d] Western trade area only.

TABLE 12

Trade of eastern Europe and the Soviet Union in industrial wood and wood products

Millions of cubic metres of roundwood equivalent, and percentages

Country	Year	Domestic production	Net exports (+) or net imports (−)	
		Million cubic metres		Percentage of total supply [a]
Soviet Union . . .	1935-38	230.0	+17.80	+7.8
	1950	161.0	. .	. .
	1955	212.1	. .	. .
	1956	222.0	+4.78	+2.1
Rumania	1935-38	7.00	+2.35	+33.6
	1950	8.76	+2.78	+31.7
	1955	9.10	+2.42	+26.6
	1956	9.71	+1.79	+18.4
Czechoslovakia . .	1935-38	9.00	+2.84	+31.6
	1950	9.40	+0.96	+10.2
	1955	11.85	+1.38	+11.6
	1956	11.50	+0.99	+8.6
Poland	1935-38	10.00	+3.86	+38.6
	1950	11.42	. .	. .
	1955	16.40	+1.04	+6.3
	1956	17.10	+0.89	+5.2
Bulgaria	1935-38	1.00	−0.070	−6.5
	1950	2.33	−0.058	−2.4
	1955	2.96	−0.096	−3.1
	1956	2.51	−0.103	−3.9
Eastern Germany .	1935-38	. .	. .	. .
	1950	9.48	. .	. .
	1955	8.26	−0.62	−7.0
	1956	7.65	−0.99	−11.4
Hungary	1935-38	0.40	−1.92	−83.0
	1950	0.87	−2.00	−69.7
	1955	0.96	−2.08	−68.5
	1956	1.00	−1.94	−65.9

Sources : As for Table VI-H.

[a] Net exports as a percentage of production (+) or net imports as a percentage of apparent consumption (−).

the one hand and western Europe on the other is summarized in Table 13.[21] There was a remarkable switch of sales of sawn softwood by the eastern European exporters from the eastern trade area to western Europe after 1952,[22] but nevertheless the over-all timber export surplus of these countries with western Europe continued to fall. The decline in 1956, however, to some extent reflects the general weakness of the timber market in that year.

Soviet exports to western Europe have risen fast in all categories and this is probably the only country of the region which could fairly easily continue to increase shipments in future if market factors were favourable.

Textile Fibres

Short term fluctuations in imports of textile materials into the countries of eastern Europe have generally reflected the varying stringency of foreign exchange availabilities. Over the longer period, however, the import needs stimulated by increased attention to consumers' needs and consequently rising output of textiles have been intensified in recent years as a result of the virtual abandonment in 1954 of the policies of fostering cotton production prevailing in the early 1950s (see Table 14). Import needs for textile fibres would have risen faster but for the falling away of cotton textiles exports from the area.

As was mentioned in Chapter I,[23] there was a flourishing commission trade in cotton between the Soviet Union and eastern European mills until about 1953. This seems to have been reduced but, nevertheless, exports of raw cotton to these countries

---

[21] See also Table VI-G.

[22] This may, however, reflect some reversion to direct trading instead of sales via the Soviet Union.

[23] See Chapter I, section 2.

TABLE 13

Export (+) or import (−) balances of the Soviet Union and eastern Europe in trade in timber with western Europe

All converted to thousands of cubic metres

	1950	1952	1955	1956
Sawn softwood				
Soviet Union .	+766	+33	+1 588	+1 490
Eastern Europe .	+444	+397	+850	+547
Sawn hardwood				
Soviet Union . .	—	—	+8	+33
Eastern Europe .	+13	+19	+59	+28
Pulpwood				
Soviet Union . .	−144	−274	−154	+49
Eastern Europe .	+102	+223	−46	+40
Pitprops				
Soviet Union . .	+213	+301	+733	+454
Eastern Europe .	+212	+197	−288	−281
Total above				
Soviet Union . .	+835	−60	+2 175	+2 026
Eastern Europe .	+771	+836	+575	+334

Sources : As for Table VI–H.

appear to have continued at a fairly regular rate of some 250,000 tons a year. (Soviet exports to all destinations in 1956 were 310,000 tons and total imports 51,000 tons.) Direct imports into eastern Europe from overseas producing countries have therefore begun to rise quickly — to some extent replacing earlier imports via western Europe.

The trend of all imports of the major fibres into eastern Europe since 1953 is indicated by the following incomplete data (in thousands of tons) :

	1953	*1955*	*1956*
Cotton imports into six countries . . .	322	355	358
Wool imports into five countries [a] . .	32	45	45
Silk and synthetic fibres into Bulgaria, Czechoslovakia and eastern Germany	8 [b]	8	12

Sources : As for Table 14.

[a] Excluding Rumania. The 1953 figure assumes no change in Czechoslovak wool imports (8,400 tons) between 1952 and 1953.

[b] 1952.

The levelling-off of imports in 1956 was due essentially to payments difficulties and to the interruption of trade in Hungary at the end of the year ; and preliminary data show a resumed expansion nearly everywhere in 1957 (see Chapter I, Table 9).

Soviet imports of wool in 1956 were 49,000 tons and imports of staple fibre 51,000 tons. Half the Soviet wool imports came from China and Mongolia and the other half from such countries as South Africa, New Zealand, Uruguay and Afghanistan. In the imports of Poland, Australia had a major share in 1955 and was practically the only source of supply in 1956. Eastern Germany is reported to have imported three-quarters of its small supplies in 1955 from member countries of the eastern trading group.

Machinery and Equipment

Exports of machinery and equipment have been the most expansive element in eastern European and Soviet trade during the 1950s. Soviet exports nearly trebled between 1950 and 1955, as did commercial exports from eastern Europe. Eastern German trade (relieved of reparations deliveries in 1953) rose to over six times the 1950 rate, while exports from other countries (excluding Albania and Rumania) doubled. As has already been shown in Table 3, imports into the eastern European countries from outside the eastern trade area have been greatly reduced, though Soviet imports from outside sources continue to rise.

The rapid and un-coördinated expansion of eastern European engineering production, combined with the general slackening of investment activity within the region, brought about a fall in imports into these countries in 1954 that was not reversed until two years later. This, together with the tendency of the Soviet Union to look increasingly to western sources for imported supplies, produced a crisis in the eastern engineering market, which was hardly relieved until Soviet purchases revived in 1957.

Trade in machinery and equipment

Millions of current dollars

	1953	*1954*	*1955*	*1956*
Imports into five eastern European countries . . .	651	610	623	760
Exports from four countries to the Soviet Union . . .	578	750	800	808

Sources : Annex Table XXXIII and Table 18.

NOTE. — The five countries exclude Albania and Rumania, and the four countries also exclude Poland.

The smaller producers — Hungary and Poland — suffered particularly in 1955 though Polish exports recovered fast in the following years ; and Czechoslovakia weathered the storm more successfully than eastern Germany, where exports hardly rose above the 1954 level until 1957. As can be seen from Table 15, both these latter countries have turned increasingly to outside markets in recent years, and their exports to these markets have more than trebled since 1953.

Soviet exports to the eastern trade area quadrupled from 1950 to 1955 and then fell in 1956 as the importing countries curtailed investment and also experienced more pressing payments difficulties. The commodity composition of Soviet exports has changed

TABLE 14

Sources of supply of cotton to eastern Europe and the Soviet Union

Thousands of tons and percentages

	1950	1951	1952	1953	1954	1955	1956
Production of ginned cotton [a]							
Bulgaria	11	21	13	29	28	20	13
Hungary	1	6	9	..	..	..	..
Rumania	9	22	12	30	26	7	6
Soviet Union	1 230	1 300	1 310	1 340	1 480	1 380	1 540
Production as percentage of apparent consumption							
Bulgaria	..	..	54	57	76	69	52
Hungary	1	14	18	..	..	..	..
Rumania	24 *	33 *	24 *	45 *	47 *	15 *	12 *
Imports							
Bulgaria	..	..	11	22	9	9	12
Czechoslovakia	..	..	..	60	..	72	84 [b]
Eastern Germany	32	52	68	71	77	92	91
Hungary	41	37	46	51	49	48	40
Poland	93	82	81	82	94	95	86
Rumania	29 *	..	..	36 *	31 *	39 *	43 *
Total eastern European imports:	..	..	..	322	..	355	358
of which in percentages : from :							
Soviet Union	..	..	..	80	..	74	70
China	..	..		3	..	1	1
Other overseas countries	..	..	..	8	..	16	23
Western Europe	..	..	..	4	..	3	1
Unspecified	..	..	..	5	..	6	5

Sources : Statistical yearbooks; foreign trade statistics of the exporting countries; direct communications from governments; *Hospodarski Noviny* No. 10 1957; *Probleme Economice* No. 10, 1957; *Magyar-Szovjet Közgazdasági Szemle*, Nos. 11-12, 1950, and Nos. 1-2, 1952; *Handel Zagraniczny*, No. 6, 1956, p. 16 *Promyshlennost S.S.S.R.*, 1957.

[a] Estimates derived from gross crops.

[b] The exporting countries reported 6,000 tons more than shown here.

considerably over the period, with exports of metal-cutting machine tools falling, and complete sets of factory equipment, motor vehicles, tractors and electrical equipment becoming the dynamic elements in the trade; and the Soviet Government foresees further expansion on similar lines.

In eastern Germany and Czechoslovakia, exports now absorb from 25 to 50 per cent of output in most branches of machine-tool production. In other fields, Czechoslovakia has built up a large trade in sets of equipment for complete factories — now amounting to about 40 per cent of the value of all exports of machinery and equipment — and this trade is also important to eastern Germany. Transport equipment is a rapidly growing branch of exports in eastern Germany, but relatively small, and only slowly growing, in Czechoslovakia (except for motor vehicles). The smaller engineering exporters are generally more specialized — for example, in oil-drilling equipment in Rumania, telecommunication equipment in Hungary, and ships, boats and transport equipment in Hungary, Poland and Bulgaria. (See Tables VI-I to VI-L.)

All countries in the area, apart from Czechoslovakia, face difficulties in securing adequate supplies of materials for their growing export industries in this field. In eastern Germany and elsewhere, constant efforts are made to reduce the metal content of engineering output. Calculations in eastern Germany show considerable variations among different categories in the return per ton of steel used in engineering production :

Steel consumption in tons per million DM of gross production

Mining and excavation equipment	350
Cement making plant	340
Boilers and turbines	274
Equipment for chemical industries and building materials	251
Textile machinery	86
Machine tools	85
Printing machinery	64
Average for the Ministry of Heavy Engineering	160

Source : *Die Materialwirtschaft* No. 16, 1957, p. 15.

TABLE 15

Exports and imports of machinery and equipment in eastern Europe and the Soviet Union

Millions of current dollars

	Trade with all countries			Trade within the group		Trade with western European countries		Trade with other countries	
	Exports	Imports	Balance	Exports	Imports	Exports	Imports	Exports	Imports
1950									
Soviet Union	293	394	−101	..	..	..	..	..	..
Eastern Germany	130	39	+91	105	17	..	..	..	..
Czechoslovakia	206	71	+135	150	..	..	..	..	..
Hungary	74	66	+8	68	29	2	37	3	—
Poland	..	..	..	..	..	..	..	..	..
Rumania	..	..	..	..	..	..	..	..	..
Bulgaria	1 *	56	−55	..	..	..	..	..	..
TOTAL	..	..	..	..	..	..	..	..	..
1953									
Soviet Union	575 *	..	..	568 *	..	5 *	..	2 *	—
Eastern Germany	606	51	+555	564	30	33 *	16 *	9 *	5 *
Czechoslovakia	421	123	+298	391 *	105 *	21 *	18 *	9 *	—
Hungary	177	88	+89	166	71	9	17	2	—
Poland	102 [a]	310 [a]	−208	102 * [a]	265 * [a]	0	45 * [a]	0	—
Rumania	28 *	160 *	−132	28 *	144 *	—	16 *	—	—
Bulgaria	4 *	80 *	−76	4 *	75 *	0	5 *	—	—
TOTAL [b]	1 885 *	..	..	1 795 *	..	67 *	216 *	22 *	5 *
1955									
Soviet Union	843	1 080	−237	825 *	880 *	14 *	200 *	4 *	—
Eastern Germany	772	55	+717	690	22	70 *	29 *	12 *	4 *
Czechoslovakia	511	140	+371	423	130	28	9	60	1
Hungary	179	61	+118	162	51	5	10	12	—
Poland	120	288	−168	114	249	3	39 *	3 *	0
Rumania	..	..	..	..	..	0	5 *	—	0
Bulgaria	7	79	−72	7	74	0	5	—	0
TOTAL [b]	2 432	1 703	+729	2 221	1 406 [a]	120	292	91	5
1956									
Soviet Union	716	961	−245	679 *	708 *	14 *	250 *	23 *	3 *
Eastern Germany	802	..	..	711	..	71 *	..	20 *	..
Czechoslovakia	559	203	+356	387	181	40	22	132	—
Hungary	149	56	+94	134	46	5	8	10	2
Poland	154	339	−185	139	286	7	53	8	—
Rumania	40 *	72 *	−32 *	40 *	67 *	0	4 *	0	1 *
Bulgaria	12	105	−93	12	98	0	6	0	1
TOTAL [b]	2 392	..	..	2 062	..	137	..	193	..

Sources : Table 3, Appendix Table XXXIII and *Vneshnaya Torgovlya*, No. 11, 1957.

NOTE. — The figures shown as estimates are derived from western or overseas trading partners' statistics and are subject to the limitations mentioned in the " Note to the statistics " at the end of this Chapter.

[a] Assuming unchanged prices for this group between 1953 and 1955

[b] Excluding Rumania.

If maximizing the return in output per ton of metal were to be accepted as the object of industrial specialization in eastern Germany, this country should then be a producer of printing machinery, machine tools and textile machinery — in which western European competition is keenest — but not of boilers and turbines, mining and excavation equipment, cement and sugar factories and steel construction — which are particularly in demand in overseas economically-developing countries.[25]

---

[25] On this point two recent comments in eastern Germany are of interest:

(*a*) " We need to shift our exports more and more towards traditional and labour-intensive products: electrical equipment,

Manufactured Consumers' Goods

The slackening of the investment drive and increased attention to consumers' needs in eastern Europe and the Soviet Union, together with greater efforts to export to western markets, brought about a considerable expansion of exports of consumers' goods from eastern Germany and Czechoslovakia in 1956 and a big increase in imports into the Soviet Union, reversing a sharp fall in purchases from eastern Europe in the previous year. Although exports from the eastern European countries as a group (excluding Albania and Rumania) have nearly trebled since 1952, the share in total trade remains small and imports have expanded faster than exports. The main difficulties in expanding eastern European exports in these sectors in the future derive not only from raw material scarcities and the pressure of growing domestic demands but also from the fact that success in western markets depends essentially on promptness in taking advantage of new opportunities for sales, on rapid introduction of new techniques and on rapid adaptation to changes in tastes — all of which demand a flexibility in production patterns and sales techniques difficult to achieve within the present system of economic management in the area.

The figures in Table 16 may be taken as an indication of recent trends in trade, though differences of definition from country to country make the summing of national statistics more hazardous in this sector than in others.

Table 16

Trade in manufactured consumers' goods of eastern Europe and the Soviet Union

Millions of current dollars

		Imports	Exports	Balance
Five eastern European countries [a]	1950	115	362	+247
	1953	211	389	+178
	1954	282	441	+159
	1955	331	436	+105
Soviet Union	1950	140	160	+20
	1955	331	236	−95
	1956	473	205	−268

Sources: Appendix Table XXXIII and Table 3.

Note. — Exports from eastern Germany, Czechoslovakia, Hungary and Bulgaria to the Soviet Union have moved as follows: 1953, 99; 1954, 126; 1955, 48.

[a] Excluding Albania and Rumania.

Food, Feeding-stuffs, Beverages and Tobacco

In the early 1950s the rate of growth of the import surplus in the food sector of the eastern European countries as a group was limited — despite the virtual stagnation of agricultural output in most countries — by drastically restricting the growth of domestic food consumption. The greater encouragement given to sales off farms since 1953 by price increases and by other means, and the gradual improvements in supplies of fertilizers, equipment, etc., have as yet led to only a slow improvement in the growth of farm output in most countries, while increases in consumers' real incomes have raised domestic demand for food. In 1955 and 1956 the net import surplus of the area was of the order of $400 million, as compared with some $100 million in 1952 (see Table 3), and it was very considerably higher in 1957 as a result of the rather poor harvests of the previous year. Rapidly growing imports with some decline in exports have also changed the Soviet Union from a net food exporter — to the extent of some half a billion dollars in 1950 — into a country with an approximate balance of food imports and exports.

Of the three countries of the region which are still dependent on exports of farm produce for a substantial part of their total foreign exchange earnings, only Bulgaria has succeeded in increasing its total sales and its net export surplus over the period. In Hungary, neither exports nor imports have risen particularly fast, but the net export surplus has been reduced, while in Poland imports of grain have risen rapidly and exports of sugar and animal products have fallen or remained stable. The traditional Polish net export surplus in this category was thus eliminated by 1956, though it is likely to reappear in 1958. The Czechoslovak and eastern German import surpluses have risen fairly steadily from year to year.

Data on the commodity composition of trade in this sector are shown in Tables VI-M to P. Eastern Europe's net imports of grain have been growing fairly steadily, apart from fluctuations due to variations in yields, and now absorb the greater part of the Soviet Union's export surplus, as well as marginal quantities from overseas countries and western Europe in years of bad harvests throughout the region. No eastern European country remains a significant

---

precision and optical instruments, printing machinery, food-processing machinery, vehicles, machines tools and certain products of light industries. But it is precisely in these fields that we have many serious shortcomings, and it happens that Japanese, French, British, west German and American competitors frequently surpass us in our own special lines not only in the capitalist countries, but also in socialist countries such as China" (*Die Wirtschaft*, 10 October 1957).

(*b*) " A substantial number of our foreign trade partners — China and the newly independent countries of Asia and Africa, for example — have to give priority to development of basic materials industries and transport. They are, therefore, much interested in obtaining heavy equipment from us; and this limits the scope for the otherwise desirable changes in our engineering production patterns." (Dr. Dietrich Zauleck, of the State Planning Board, in *Die Wirtschaft*, 14 November 1957.)

net exporter of bread grain, and the coarse grain surpluses of Bulgaria, Hungary and Rumania are now relatively small.

The biggest food importer — eastern Germany — has stabilized imports of livestock produce in 1954-56, though at the cost of rapidly growing grain imports, but the import bill for beverages and tobacco has been rising fast. In Czechoslovakia also meat imports seem to be fairly stable, while imports of grain and miscellaneous foodstuffs have risen, and total exports in this sector were falling away until there was a sudden revival in 1956. This may have continued in 1957 with the sudden speeding up of sales of sugar.[26]

Among the exporting countries, Hungary continues to market increasing quantities of animal products, mainly in western Europe and the Soviet Union. Poland depends almost entirely on western European markets for its diminishing meat exports — limited by shrinking outlets in the United Kingdom — and for sales of eggs, and sold substantial quantities of sugar to the Soviet Union until the sharp fall in such sales in 1956. Rapidly rising exports of fruit and vegetables and more slowly growing sales of tobacco by Bulgaria have been taken mainly by the Soviet Union and, to a lesser though growing extent, by the two main importing countries of eastern Europe; and the Soviet Union has also been an expanding market for eggs. Hungary's increasing fruit exports go preponderantly to Czechoslovakia.

The future trends of trade in farm produce in the region seem to turn on three factors, to some extent conflicting — the speed with which the traditional exporters can build up production in relation to the growth of their domestic consumption on the one hand and, on the other, the effects of the efforts being made to check the growth of food import bills in the other countries of the region and the development of agricultural and trade policies in western countries.

In Poland, farm output has already been stimulated by past improvements in incentives and, thanks partly to a good harvest, imports of grain are expected to be cut by almost half in 1958, while exports of sugar and animal products should rise. The further benefits to come from increasing supplies to agriculture can, however, materialize only fairly slowly, and this is true of Hungary and Bulgaria also.

So far as the import demand of their trade partners is concerned, the policies of expanding output of basic foods and feeding-stuffs in Czechoslovakia and eastern Germany would, if successful, limit the growth of demand for imports of these goods. In both countries total demand for such products has been satisfied in the last few years, and it is only for high-quality foods that an elastic demand can be assumed in the years to come. In eastern Germany, however, the impact of the contemplated derationing and increases in the artificially low ration-prices of meat, butter and other high quality fats may even bring about a temporary shift to lower-priced substitutes. The eastern German authorities, indeed, expect eventually to eliminate imports of livestock produce — partly on this account, but also as a result of rising home production — and even hope that total imports of all foods, beverages and feeding-stuffs may be reduced by 1960 somewhat below the extraordinarily high level of 1957 (nearly $600 million).

In Czechoslovakia, an expansion of personal incomes by about 28 per cent is foreseen over the 1956-1960 period. If the income elasticity of demand for food remains at about its 1955 level (i.e., at about 0.9)[27] this would imply an increase in food consumption by 25 per cent, which might be practically matched by the rise in home supplies if the planned expansion of gross agricultural output by 30 per cent were to be achieved. However, the trend of production in the last two years suggests that such an improvement is unlikely.

Imports by both eastern Germany and Czechoslovakia of early vegetables, tomatoes and fruits from the south-eastern European countries are expected to show an increase in the long term. There are limited possibilities of expanding tobacco imports in each country; but import demand in both is expected to rise fastest for commodities which come mainly from China (e.g., oilseeds) or from overseas countries (e.g., coffee and cocoa).

The agricultural expansion plans of the Soviet Union envisage supplying growing home consumption of animal products from an immense rise in domestic output rather than from imports,[28] and if this programme is carried out it may well reduce the export surpluses of grain available to eastern Europe or to other markets. Import demand for tobacco, fruits and wines is, however, expected to rise; and an agreement of 1957—to which eastern Germany and Czechoslovakia are also parties — envisages a substantial expansion of purchases from Bulgaria and Albania by all three countries over the subsequent fifteen years.[29]

The possibilities of western markets depend mainly on the agricultural policies pursued in those countries and on the impact of the western European Common Market or a Free Trade Area on their trade. The discussion of the probable growth of imports into western Europe in Chapter V suggests that some increase of imports, even of basic foodstuffs, might occur if economic expansion in that area continues at a rapid rate; clearly the prospects are relatively more favourable for the higher-quality products.

---

[26] See section 3.

[27] See the *Economic Bulletin for Europe*, Vol. 8, No. 2, p. 36.

[28] See Chapter I, section 1.

[29] See the *Economic Bulletin for Europe*, Vol. 9, No. 1, p. 37.

Market conditions may well prove increasingly difficult for one of the main Polish food exports — bacon to the United Kingdom — but so far few difficulties have been experienced in selling sugar in western Europe and overseas. The Polish 1956-1960 Plan in fact foresees a rise of only 20 per cent over the 1955 level in exports of foodstuffs, though great efforts are to be made to improve production and selling techniques. The Hungarian and Bulgarian Governments apparently contemplate a much greater continuing reliance on selected food exports, and intend to concentrate particularly on the expansion of sales of fruits, early vegetables, and wines and — in Hungary — of high-quality meat and poultry. For all these products prospects both in eastern and western markets seem rather more promising than for basic foodstuffs.

3. Recent Developments in Trade and Changes in Trade Balances

Varying Dependence on Foreign Trade

The dependence on foreign trade of the several countries of the region naturally varies considerably, but the differences are not readily demonstrable statistically. The fact that domestic price structures do not reflect real relative cost differentials means that the picture of relative import or export dependence given by comparisons of foreign trade, valued at domestic prices, with national product or aggregate national expenditure is distorted in the same way as is any comparison of, for example, the shares of national resources devoted to consumption in different countries.

However, comparisons over time of trends, at constant prices, of foreign trade and national income are likely to be somewhat less misleading. These trends are shown, for the countries for which data are available, in Chart 3. They suggest a fairly rapidly growing import dependence in Czechoslovakia since 1953, and a still more strongly rising ratio of foreign trade to national income in Hungary. In Bulgaria the growth of imports seems to have paralleled that of output, but in Poland foreign trade expansion has noticeably lagged behind the growth of over-all production up to 1956. It is apparent, too, that everywhere either worsening terms of trade or adverse balances of invisible transactions, including repayment of credits, have enforced from 1953 onwards a more rapid rise in the volume of exports than of imports or at best — in Poland — a levelling off on both sides.[29a]

An alternative, though also imperfect, indicator of relative dependence on foreign trade is provided by the following estimates of the value, at foreign trade prices, of trade turnover per head of the population (in current dollars):

	1950	*1956*
Czechoslovakia		
Exports	63	105
Imports	52	90
Eastern Germany		
Exports	24	83
Imports	27	79
Hungary		
Exports	35	62 [a]
Imports	34	54 [a]
Bulgaria		
Exports	17	45
Imports	19	33
Poland		
Exports	25	35
Imports	27	37
Rumania		
Exports	13 *	23 *
Imports	15 *	20 *
Albania		
Exports	6	16
Imports	21	26
Eastern Europe		
Exports	28	54
Imports	28	49
Soviet Union		
Exports	10	18
Imports	8	18

[a] 1955.

Even if a rough allowance is made for differences in per capita income levels, it is clear that in 1956 the dependence on foreign trade of the first four eastern European countries is greater than that of the last three, and that Czechoslovakia and eastern Germany head the list. The Soviet Union's place is the lowest of all—as is to be expected in view of its vast size and plentiful endowment with natural resources.

The Difficulties of 1955 and 1956

Although trade everywhere had expanded relatively quickly up to 1954, shortages of imported materials have proved a continuing hindrance to the growth of industrial output in virtually all eastern European countries. To some extent this has simply reflected the general pressure on resources inseparable from

---

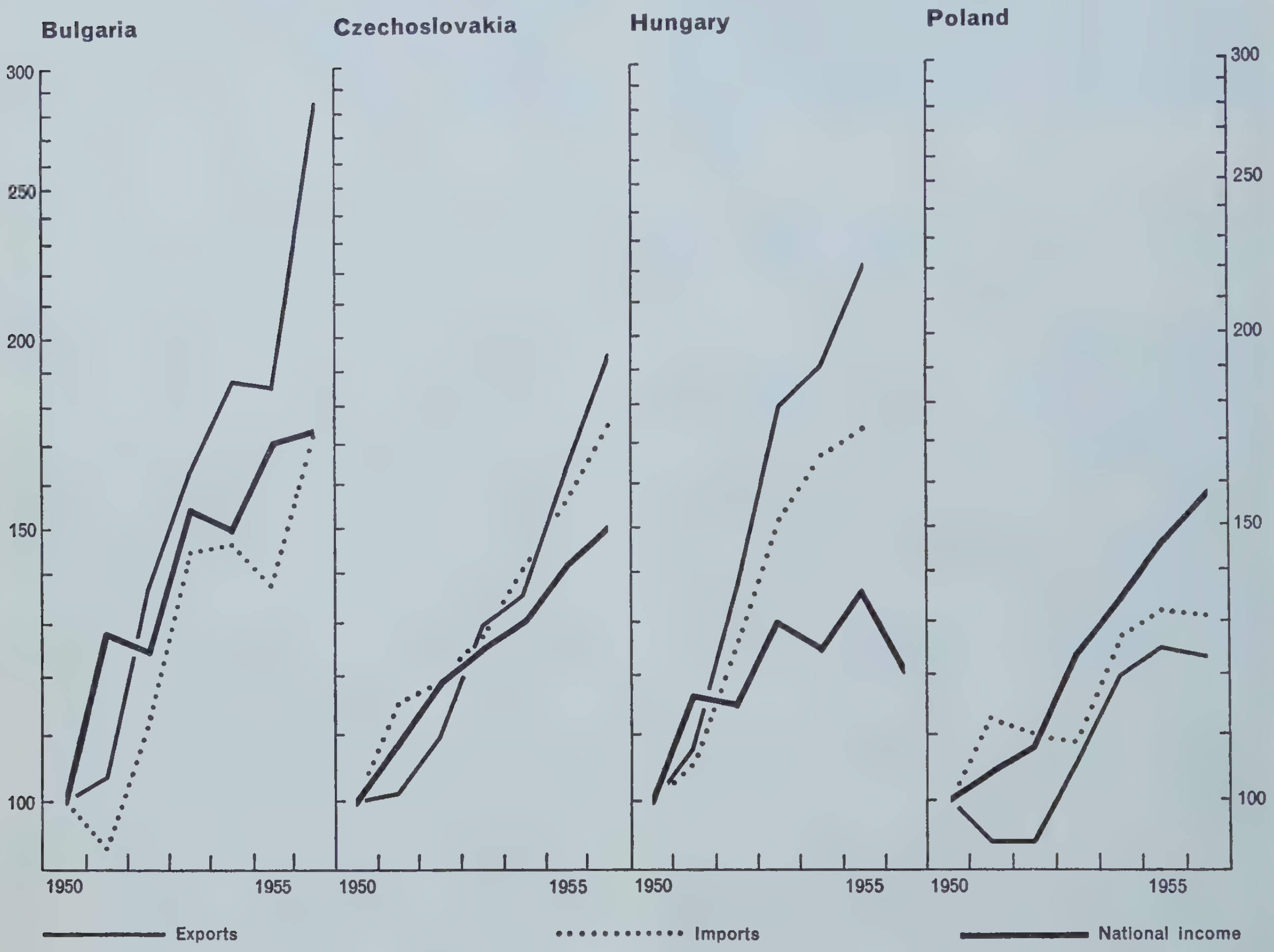
[29a] The only two countries for which data on terms of trade are available, Czechoslovakia and Poland, show a deterioration between 1953 and 1956.

CHART 3

National income and foreign trade in four eastern European countries

Index numbers of values at constant prices — 1950 = 100

Semi-logarithmic scale



Source : Appendix Table XXXVI.

any production and investment drive as intense as that carried on in eastern Europe until very recently; but some of the more specific causes have been suggested in the two preceding sections of this chapter.

In the early 1950s, the needs of the more industrialized countries of the area for fuels and raw materials were fast increasing, and processing capacities were simultaneously being rapidly built up in all the raw material and fuel exporting countries without any comparable expansion of their primary production. At the same time, foreign trade in raw materials within the region was being conducted at prices more or less based on world market quotations. In conditions of much greater scarcity of capital — in relation to ambitious investment programmes — in eastern Europe than elsewhere, this meant that development (often very capital-intensive) of raw materials production for export seldom appeared an attractive proposition, quite apart from the effects of the general tendency to equate reliance on primary production with " backwardness ".

This pattern of development probably created at least as great difficulties for the most industrialized countries of the group as for the primary exporters themselves. The latter countries at least were able, as their processing capacities expanded, partly to offset reduced expenditure on imports of manufactured goods against their losses of earnings from primary exports. But the countries deprived of their former supplies of imported materials had to seek them from other markets, where sometimes competition with the goods they could offer in payment was more acute.

TABLE 17

Foreign trade and credits in eastern Europe and the Soviet Union

Millions of current dollars

ETA — Eastern Trade Area WTA — Western Trade Area

	1948	1950	1951	1952	1953	1954	1955	1956	1957 Jan.-Sept.
Albania									
Exports	..	7	..	14	..	..	19	23	
Imports	..	25	..	33	..	..	35	37	
Balance	..	−18	..	−19	..	..	−16	−14	
Net credit received				130.8+				2.2+	60.5+
Bulgaria									
Exports	123	124	128	171	206	233	230	339	247
Imports	128	141	131	158	200	196	195	248	247
Balance	−5	−17	−3	+13	+6	+37	+35	+91	0
of which : with ETA	−13	−14	−8	+12	—	+30	+35	+94	+10
with WTA	+8	−3	+5	+1	+6	+7	—	−3	−10
Net credits granted (—) or received (+)	+40	+7 [a]	+85	−1.5	+1	−4	+	+92.5	+48.2−
Czechoslovakia									
Exports	753	779	845	874	994	1 005	1 176	1 387	943
Imports	757	639	897	876	879	933	1 053	1 186	987
Balance	−4	+140	−52	−2	+115	+72	+123	+201	−44
of which : with ETA	+11	+60	−31	+8	+80	+52	+58	+101	−82
with WTA	−15	+80	−21	−10	+35	+20	+65	+100	+38
Net credits granted (—) or received (+)	+30.5 [b]	—	—			−28	—	−75−	−198.3+
Eastern Germany									
Exports	142	406	713	739	967	1 280	1 278	1 407	1 213
Imports	154	470	608	773	983	1 096	1 173	1 334	1 134
Balance	−12	−64	+105	−34	−16	+184	+105	+73	+79
of which : with ETA	−12	−80	+118	−25	+13	+194	+111	+79	+73
with WTA	—	+16	−13	−9	−29	−10	−6	−6	+6
Net credits granted (—) or received (+)		+	−12.5	+	+120	−2.5	−115.5−	−9 [c]	+52.5 [d]
Hungary									
Exports	165	329	396	443	503	525	609	493	325
Imports	168	316	394	443	471	513	534	456	510
Balance	−3	+13	+2	—	+32	+12	+75	+37	−185
of which : with ETA	+1	+38	+14	+4	+51	+38	+110	+33	−173
with WTA	−4	−25	−12	−4	−19	−26	−35	+4	−12
Net credits granted (—) or received (+)		−7 [a]		−1.5	—	+26		+25	+364
Poland									
Exports	531	630	762	775	831	869	920	985	725
Imports	517	668	924	863	774	904	932	1 022	887
Balance	+14	−38	−162	−88	+57	−35	−12	−37	−162
of which : with ETA	−6	−48	−101	−77	+9	−43	−34	−95	−122
with WTA	+20	+10	−61	−11	+48	+8	+22	+58	−40
Net credits granted (—) or received (+)	+450	+100+			—		+	+280 [e]	+420 [h]
Rumania									
Exports	146	207	259	298	341	350	391	395	..
Imports	126	245	268	327	385	338	384	352	..
Balance	+20	−38	−9	−29	−44	+12	+7	+43	..
of which : with ETA	+41	−10	+14	+22	−37	+10	+6	+33	..
with WTA	−21	−28	−23	−51	−7	+2	+1	+10	..
Net credits granted (—) or received (+)	+30 [b]				−16.3	—		+95+ [f]	−7.5
Soviet Union									
Exports	..	1 795	..	..	..	..	3 469	3 669	..
Imports		1 456	..	..	..	..	3 061	3 613	..
Balance		+339	..	..	..	..	+408	+56	..
of which : with ETA		+364					+354	+21	..
with WTA		−25					+54	+35	..
All credits granted to eastern Europe	−510	−100−	−115	−30	−122	−26		−505−	−741
All credits granted to others [g]		−300			−280	−246	−194−	−1 100	−438−
of which : to be used in one year						−10	−10	−120+	−260

Sources : Appendix Tables XXXV and XXXVI and Annex Table VI-R.

NOTE. — The sign + or — appearing alone or *after* a figure in a " credit " line in the table indicates that extra credit, of which the exact amount is unknown, was received or granted in the year indicated. Credits shown in the last column are those received or granted in the whole year 1957.

[a] 1949.

[b] 1947.

[c] In this year, eastern Germany received $20 million credits and granted $1.3 million which were to be spent in one year.

[d] $260 million credits received, and $5 million granted are to be spent in one year.

[e] Of which $100 million received to be spent in one year.

[f] Of which $67.5 million to be spent in one year.

[g] Excluding credit granted to Mongolia during 1946-1956 of $225 million, since the date of granting is not known.

[h] Including $25 million from the United States.

For some years the problems inherent in these autarkic development policies were forfended by the willingness of the Soviet Union to supply increasing quantities of raw materials to eastern European countries in return for imports of other goods, and by the maintenance of food exports from those countries by restricting the growth of domestic consumption. After 1953, however, a number of factors rapidly intensified the difficulties under which the eastern European countries were labouring. In the first place, the Soviet Union hardly increased its supplies of raw materials to eastern Europe between 1953 and 1955 [30] and, as has already been mentioned, it became a more reluctant purchaser of machinery and equipment and of manufactured consumers' goods from that area. Secondly, the need to raise consumers' living standards everywhere, combined with continuing relative neglect of agriculture, reduced food export surpluses or raised net import requirements both for food and for other consumers' goods and materials for their manufacture. Thirdly, the relaxation of the investment drive reduced import demand for capital goods and released resources for exports of machinery and equipment more or less simultaneously in every country. Finally, the impact of difficulties in current trade on most eastern European countries' balances of payments was supplemented by the fact that past credits had generally been spent and repayments were becoming due.

These developments are illustrated by the figures in Tables 17 and 18. The change everywhere in eastern Europe around 1953 in the direction of a trade surplus — required to cover debt repayments and other invisible transactions — is striking. The figures for credits shown in Table 17 represent the total known amounts granted or received in any year, irrespective of the time over which they were to be spent. Thus, the figure of $115 million of credits granted by eastern Germany in 1955, for example, represents assistance to North Korea that is to be spread over ten years, not an immediate call on east German resources in 1955. The drying up of the flow of credits to eastern Europe in the middle years of the period covered and the sudden revival in 1957 are, however, apparent.

The development of the Polish balance of payments during the 1950s illustrates these tendencies.[31] The depressed state of agriculture and rising domestic needs for coal prevented any growth in the combined volume of these exports from 1950 to 1953 ; imports had to be drastically restricted — contributing to the depression of consumers' living standards — and in 1953 the start of repayments of earlier credits forced a further limitation of imports in order to achieve a trade surplus. Thereafter, as successive concessions were made to consumers, the import bill rose and the trade balance worsened until the events of 1956, and the large increase in consumers' incomes that followed, brought the situation to a crisis relieved only by new foreign credits, mainly from the Soviet Union but also from the United States. 1957 is said to have been the most difficult of the last thirteen years for Polish foreign trade,[32] with deteriorating terms of trade — as a result of the fall in coal prices — adding to Poland's problems. Imports were increased and stocks built up to safer levels than before, but at the cost of an increase of $400 million in long-term foreign indebtedness and of $25 million of additional short-term debt repayable in 1958.

The Polish plan for 1958 envisages a 10 per cent rise in the volume of exports, with 30 per cent rises in machinery exports and in exports of food ; and a 4$^1/_2$ per cent cut in imports will be concentrated on food and manufactured consumers' goods. The good harvests of 1957 are a favourable factor, but the plan nevertheless appears to represent a formidable task and one that can hardly be accomplished unless consumers' real incomes can be held practically stable this year.

In Hungary, growing needs for imported raw materials, and difficulties in expanding either traditional food exports — even at the expense of consumption standards — or new exports of manufactures, brought similar problems by 1955. These were intensified by the virtual stoppage of industrial activity at the end of 1956 and temporarily relieved only by large credits and supplies from the Soviet Union in the following year. In Hungary some continuing support from the unspent portion of these credits is expected to be available in 1958, but the basic economic difficulties of the country will remain and may even increase as repayment of emergency credits become due.

Among the more industrialized countries, Czechoslovakia — less dependent on either imported materials or export markets in the Soviet Union than is eastern Germany — was less seriously affected by the falling away of purchases of machinery and equipment by countries in the eastern trade area and was better able to maintain the volume both of imports and of exports up to 1956. Indeed, as Chart 3 shows, there has been practically no slackening of the rather

---

[30] Imports of raw materials and fuels into eastern Germany, Czechoslovakia, Hungary and Bulgaria were as follows (in millions of dollars):

1953	636	1955	606
1954	655	1956	723

Source : As for Table 18.

[31] See " The Polish Economy since 1950 ", *Economic Bulletin for Europe*, Vol. 9, No. 3, p. 36 *et seq.*

[32] According to the Minister for Foreign Trade, reported in *Zycie Warszawy*, 24 January 1958.

TABLE 18

Trade with the Soviet Union of five eastern European countries

Millions of current dollars

Country and year		Exports			Imports	Trade balance
		Machinery and equipment	Consumers' manufactures	Total		
Bulgaria	1953	2	4	105	97	+8
	1954	4	6	102	90	+12
	1955	6	16	108	89	+19
	1956	7	33	170	104	+66
	1957 [a]	..	..	123	133	−10
Czechoslovakia	1953	181	33	325	339	−14
	1954	234	34	359	358	+1
	1955	306	12	403	365	+38
	1956	289	..	428	390	+38
	1957 [a]	..	..	258	368	−110
Eastern Germany	1953	294	24	434	458	−24
	1954	423	47	586	457	+129
	1955	383	8	515	422	+93
	1956	433	17	568	557	+11
	1957 [a]	..	..	524	529	−5
Hungary	1953	101	38	187	142	+45
	1954	89	39	172	146	+26
	1955	103	12	153	99	+54
	1956	79	..	121	105	+16
	1957 [a]	..	..	67	186	−119
Poland	1953	..	..	275	264	+11
	1954	..	..	329	337	−8
	1955	..	..	280	313	−33
	1956	..	..	270	344	−74
	1957 [a]	..	..	191	306	−115
Five countries	1953	578 [b]	99 [b]	1 326	1 300	+26
	1954	750 [b]	126 [b]	1 548	1 388	+160
	1955	800 [b]	48 [b]	1 459	1 288	+171
	1956	808 [b]	..	1 557	1 500	+57
	1957 [a]	..	..	1 163	1 522	−359

Sources : National statistics; *Die Wirtschaft*, 12 April 1956; *Der Aussenhandel*, No. 21, 1956, p. 735; No. 10, 1957, p. 749; *Ekonomický Časopia*, No. 2, 1955; *Közgazdasági Szemle*, No. 6, 1957, p. 595; and No. 1, 1956, p. 8; *Szabad Nép*, 5 October 1956; *Statistika* (Sofia), No. 5, 1957, pp. 45, 49.

[a] January-September. [b] Four countries only.

rapid growth of imports up to that year. Nevertheless, difficulties have since occurred both in securing imports of essential materials and in marketing some exports, particularly in the Soviet Union, and competition in western export markets forced a reduction in Czechoslovak export prices for some goods in 1957. The volume of total exports hardly rose above the 1956 level.

The special steps taken in Czechoslovakia towards the end of 1957 to accelerate sales of sugar from the 1957 harvest, which raised exports for the year about 45 per cent above the 1956 level, may be an indication of particular anxiety about the balance of payments.[33] Engineering enterprises also are being pressed to fulfil at least 55 per cent of 1958 export plans by the end of June.

Eastern Germany was particularly affected by the falling off in Soviet and eastern European imports of manufactured goods after 1954. It has faced chronic shortages of raw materials, until relieved in 1957 by the revival both of Soviet purchases and of Soviet supplies, by a rise in export prices of machinery in eastern trade markets and by the receipt of new credits. The trade balance actually became more favourable in 1957 — the only instance in eastern Europe in that year.

---

[33] This information was not available when Table 3 of Chapter I was compiled.

Bulgaria is the one country in the region where balance-of-payments problems do not seem to have been much more acute recently than in the earlier period. But Bulgaria is also the country where investment and the pace of industrial expansion — outside the food-processing branches — have been most drastically reduced.

The Supporting Role of the Soviet Union in 1957

The rescue operation performed by the Soviet Union in eastern Europe in 1957 represented a remarkable reversal of the immediately preceding trade and payments trends. Purchases from these countries seem at least to have been maintained at the 1956 rate, and new credits granted to them amounted to about $750 million, following upon $500 million provided in 1956. Of these amounts nearly $400 million were for use within these two years.

In 1957, all eastern European countries, with the exception of Bulgaria and eastern Germany, have run substantial import surpluses, and imports in 1957 showed increases over 1956 ranging from 30 per cent in Poland, Hungary and Bulgaria to about 20 per cent in eastern Germany and 16 per cent in Czechoslovakia. Fuel and raw materials imports this year contributed to a relief of shortages in these sectors, and imports have also covered the grain deficit resulting from the mediocre harvests of 1956. Consumer manufactures have been imported to check the threat of inflationary pressures in Poland, Hungary, Bulgaria and Albania after rises in consumer incomes which could not be fully matched by domestic production of consumers' goods. The commodity composition of imports into individual countries of fuel and raw materials clearly shows the relief provided at the strategic points of their economies, and is illustrated by the figures in Table 9 in Chapter I.

In 1957 the Soviet Union provided greater supplies of exactly those commodities — particularly fuel and raw materials — which constituted a bottleneck to the full utilization of available manpower and capacities, as well as the credits already mentioned ; and it appears that payments for Soviet imports, or provision of credits, in freely transferable currencies helped some of the eastern European countries to finance purchases from outside the area. In addition, special schemes to permit full utilization of capacity have been put into effect in some countries. The purchase of large quantities of cotton textiles from Czechoslovakia by the Soviet Union and the provision of extra cotton for their fabrication is one example. Another example is the special steel deliveries, combined with orders for machinery and equipment, to eastern Germany and Poland. Full capacity utilization in Bulgaria was facilitated by the delivery for finishing of steel, raw cotton, wool and various semi-manufactures to Bulgarian industry.

Helpful as the operations described have been, however, they are essentially special measures to meet a sudden emergency. Some of the issues likely to be involved in finding a solution to the longer-term trade problems of the area are discussed in the following two sections.

4. PROBLEMS OF PRICING AND OF SPECIALIZATION

In trading with countries of the western trade area, and particularly with the industrialized countries, it is obvious that eastern European or Soviet trading agencies are normally confronted by a price structure to which they must conform and on which their own purchases and sales can generally have little effect. Special terms may sometimes be arranged within bilateral trade agreements, but in general it is to be expected that in trade with the west prices would at any time show little divergence from those of the world market.

Within the eastern trading area, however, there was no obvious reason why the structure of prices in trade among its members should have conformed to that of the world market, once the aim had been accepted of rapid industrialization and economic expansion based on a maximum employment of the resources locally available and unhampered by the somewhat narrow view of comparative costs implicit in any free trade system where partners are at different stages of economic development and effective employment. Indeed, a policy of planned and co-ordinated development of the economies of these countries — had such a policy ever been effectively pursued — might well have led to a price structure within the area rather different from that outside, but economically justified by differences in factor proportions.

In the event, these countries seem to have adopted a half-way practice which accepts world market prices as some indication of a " fair " price ; but prices in bilateral trade agreements are frequently fixed through a process of more or less hard bargaining.[34] One merit of the system seems to have been a somewhat greater price stability within the eastern trade market than in the outside world, though there have been occasional sharp changes, as in 1957 when prices of engineering exports in the eastern trade market seem to have been adjusted to take account of the earlier upward trend in western markets. One of its disadvantages, as has already been noted, was a tendency to make production of finished goods for export within the area appear much more profitable than that of raw materials when all costs, including related social costs of output expansion, were taken into account.

---

[34] The Vice-Chairman of the eastern German Council of Ministers, in charge of foreign trade, has stated that " the foreign trade agencies of the German Democratic Republic in principle do not contract export sales below world market prices

Index numbers of average values of imports and exports can now be derived for Czechoslovakia and Poland from published series of foreign trade values in current and in constant prices (see Table 19). During the years 1949 to 1956 the index for Czechoslovak exports to countries outside the eastern trade area moved in harmony with the price index of manufactured exports in world trade, but with much wider fluctuations.[35] The index for exports to countries in the eastern trade area shows a remarkable stability, though rising and falling gently with the trends of prices in trade with western markets. Import unit values for Czechoslovakia have moved more or less in line with those of the highly industrialized western European countries, but again with a much greater stability in intra-eastern trade; and it is noticeable that changes in the terms of trade with the two trading areas differed little over the period as a whole.

The trend of the average value index for Polish exports is heavily dependent on the movements of coal export prices. These registered about the same rise between 1949 and 1956 as did those of the United Kingdom, but with a much slower rise up to 1953 and a sharper subsequent increase until the fall in 1957.[36]

A comparison of the trend of prices or average values of Soviet exports of a few clearly defined commodities with prices ruling in some major western markets is shown in Table VI-Q. Little significance can in general be attached to the absolute margins between apparent prices in different markets in any single year, since differences in qualities or in the amount of transport costs included in the quoted prices may be sufficient to vitiate such comparisons.[37] However, the trends are of some interest, and the

---

and they do not accept imports at higher than the valid world market prices ". (*Die Einheit*, No. 2, 1957, p. 176.) According to a Bulgarian source, world market prices have been used as a basis for determining sale and purchase prices since 1946, but it is stressed that world market prices are " adjusted to the specific cost level in the selling country or to the possibilities of the purchasing country ". (*Vneshna Trgovia*, No. 10, 1956, pp. 6 and 13).

[35] Unit values of exports of manufactured goods in world trade have moved as follows (1953 = 100):

1950	*1951*	*1952*	*1953*	*1954*	*1955*	*1956*
87	103	104	100	98	100	103

[36] Since 1953, Polish prices seem generally to have followed the landed price of United States coal.

[37] See the statistical note at the end of this chapter.

TABLE 19

Derived index numbers of average values of exports and imports in Czechoslovakia and Poland

	1949=100					*1953=100*			
	1950	1951	1952	1953	1956	1954	1955	1956	1957
Czechoslovakia									
Total exports	82	88	84	81	75	96	94	93	..
Total imports	91	110	105	98	96	96	98	98	..
Terms of trade	90	80	80	83	78	100	95	94	..
of which :									
Exports to the eastern trade area	87	92	93	95	85	98	94	90	..
Imports from the eastern trade area	95	110	114	112	109	93	98	97	..
Terms of trade with the eastern trade area	92	84	82	84	79	105	96	93	..
Exports to other countries	78	91	82	69	68	92	92	99	..
Imports from other countries	92	124	108	85	87	108	100	102	..
Terms of trade with other countries	86	74	76	80	77	85	93	96	..
Poland									
Total exports	91	116	118	112	115	93	94	103	..
Total imports	94	114	110	99	109	100	100	110	..
Terms of trade	97	102	107	113	105	93	94	94	..

Sources : Appendix Tables XXXIV and XXXV, *Statistická Ročenka CSR*, Prague, 1957, p. 203, and *Economic Bulletin for Europe*, Vol. 9, No. 3, Table 12, p. 37.

TABLE 20

Unit values of certain exports from Hungary and Bulgaria

Dollars per ton [a]

	1953	1954	1955
Exports from Hungary			
Crude petroleum:			
To eastern Germany	17.4	18.0	17.8
To Poland	23.3	22.6	18.0
To Czechoslovakia	23.5	19.0	23.7
Crude aluminium:			
To Poland	400	410	391
To China	437	524	900
To Switzerland	261	304	502
Rolled aluminium products:			
To Soviet Union	678	697	685
To Poland	687	679	—
To eastern Germany	—	785	803
To Bulgaria	789	796	822
Exports from Bulgaria			
Nitrogenous fertilizer:			
To Czechoslovakia	102.5	92.9	61.5
To Rumania	102.6	50.0	92.0
To China	88.7	89.6	84.8
To Hungary	98.7	96.0	90.3
To Poland	95.2	91.0	64.7
To Greece	90.0	81.9	61.0
Tobacco:			
To Soviet Union	1 067	1 105	1 171
To eastern Germany	1 461	1 182	1 639
To Poland	1 227	1 132	1 175
To Czechoslovakia	1 458	1 490	1 574
To Austria	2 000	1 299	1 200

Sources: *Magyar statisztikai évkönyv*, 1949-1955 (Budapest), 1957; *Statisticheski Godishnik*, 1956 (Sofia), 1957.

[a] Valued at point of change of ownership.

generally greater stability of Soviet export prices than of those in western markets is apparent. The trends are usually in the same direction, though there are exceptions both to this generalization and to the general rule of greater price stability.

The differences that may occur between prices of exports to different markets are illustrated by the figures in Table 20. Once again they may reflect to some extent variations in transport costs or in qualities, but in some instances this can clearly not be the whole explanation. A higher price charged to one purchaser than to another should not, of course, be regarded as obvious evidence of " exploitation ": it is equally likely to indicate a generally higher level of prices on both sides of a particular bilateral trade agreement. However, there is plentiful evidence that sellers of goods that are particularly scarce within the region frequently manage to obtain more than the basic " world market " price, particularly in trade with a purchaser who has only " soft " goods to offer in exchange.

In a number of countries calculations are regularly made of the relative real values of baskets of goods, or payment in foreign exchange, obtainable from different trade partners, and these are then used to derive " coefficients of efficiency " to be applied to the selling prices for exports obtainable in trade with those countries. The coefficients take account both of the nature and the price of goods obtainable from each trade partner. In general, exports for which payment is received in convertible currency receive the highest rating, and for destinations from which only " soft " goods can be obtained the export price has to be correspondingly higher for the sale to be regarded as worth while.

The complete divorce between domestic price structures and the structure of prices ruling in international trade — either within the region or with the outside world — naturally complicates foreign trade operations. But the major difficulties arise from the failure of domestic price structures to reflect differences in real costs of production of the various goods.

The prices at which foreign trade agencies buy goods for export from domestic producers are those at which goods are sold within the country, either to other producing enterprises or to the domestic trading agencies, so that they reflect, *inter alia*, the policy of applying turnover taxes almost exclusively to consumers' goods and the general stabilization at a low level of domestic prices of investment goods and raw materials. Similarly, the foreign trade agency sells imports on the domestic market at the prices fixed in that market.

The extent of the divergences between home and foreign trade prices are illustrated, for eastern Germany and Hungary, by the figures in Table 21. The apparent subsidies to exports and taxes on imports have not, of course, the significance that they would have in a market economy, and are significant mainly as an indication of the divergence between home trade and foreign trade price structures. The enormous " foreign trade subsidies " in Hungary reflect partly the importance of high-priced foods in exports and of raw materials in imports. In eastern Germany, however, falling export surpluses and better terms of trade have tended to reduce the net " foreign trade subsidy " in the last two years.

The opposite situation is to be seen in Albania, where imports during 1950 to 1955 comprised foodstuffs sold at high domestic prices and thus yielded a substantial fiscal return to the Government, ranging from 1,400 million to 2,500 million leks a year. However, with the export drive launched in 1956 export subsidies for primary products (planned at 1,290 million leks) reduced the net profits on foreign trade.

TABLE 21

Foreign trade in Hungary and eastern Germany showing adjustment between home and foreign trade prices

Billions of forints and billions of DM at current prices

Country and year		At home prices		At foreign trade prices		At home prices		
		Exports[a] (1)	Imports[b] (2)	Exports (3)	Imports (4)	Surplus expenditure on exports (5) (1−3)	Surplus receipts from imports (6) (2−4)	Net foreign trade subsidy[c] (7) (5−6)
Hungary	1949	4.79	4.52	3.29	3.38	1.50	1.14	0.36
	1954	..	..	5.36	5.60	..	..	7.50
	1955	20.56	10.81	6.21	5.65	14.35	5.16	9.19
	1956	18.28	9.19	5.67	5.67	12.61	3.52	9.09
Eastern Germany	1950	2.2	0.9	1.0	1.2	1.2	−0.3[c]	1.5
	1951	3.5	1.2	2.4	2.0	1.1	−0.8[c]	1.9
	1952	3.4	1.6	2.5	2.6	0.9	−1.0[c]	1.9
	1953	4.3	2.2	3.2	3.3	1.1	−1.1[c]	2.2
	1954	6.8	2.9	2.8	2.4	4.0	0.5	3.5
	1955	5.7	3.2	2.8	2.8	2.9	0.6	2.3
	1956	..	..	3.1	2.9	..	..	1.6

Sources : See Appendix B.

[a] Value of exports at domestic prices paid by foreign trade agencies.

[b] Value of imports at domestic selling price of foreign trade agencies.

[c] Losses of foreign trade agencies on sales of imported goods.

The basic difficulty, however, particularly for countries trading in a wide range of highly-processed products, is to decide which lines of production should be developed for export or, conversely, with the intention of replacing imports. The calculation of " coefficients of efficiency " may help to determine the direction of trade in the short run, but it cannot contribute to a rational decision on this point. In fact, it seems that in most countries the actual composition of both imports and exports has in the past been determined to a considerable extent by short-term considerations of what can most easily be spared from home production and which scarcities it is most urgent to relieve through imports. However, various rule-of-thumb criteria have, where possible, been applied to export decisions, such as the desirability of maximizing the margin over the imported raw material content or over the return which might have been obtained by exporting the goods at an earlier stage of fabrication. Non-commercial elements have also been always present in trade policies.

In longer-term planning of the economies of these countries, however, foreign trade policy — in a positive sense — has had practically no part. Import needs have been implied by production and investment plans, and investments to provide the exports to pay for them have been at least partially allowed for in planned investment allocations. But the basic plans themselves have seldom, if ever, been drawn up as a result of deliberate assessment of the comparative costs of different production and trade patterns.

The need for production and foreign trade policy to be more closely related to considerations of comparative costs has been increasingly acknowledged in the countries of eastern Europe during the last four years.[38] In eastern Germany the reforms of the price structure in 1956 and 1957 were partly intended to permit more rational decisions on foreign trade, and the discussions during the last year on similar measures in Czechoslovakia and Poland (already described in Chapter I, section 6) have also had this aim in view. In the meantime, attempts have been made to calculate notional exchange rates for different commodities which would allow for distortions in the domestic price structure. In Poland, for example, it has been authoritatively suggested that the following notional rates (in zlotys to the dollar) should be regarded as appropriate to apply to domestic prices in determining the foreign exchange price at which it is worth while to sell or to buy :[39]

All imports	40
All exports	16
Exports of coal	8.8
Exports of other goods	24
Of which : food	36

---

[38] See, for example, extracts from an article published in Hungary in 1954 on " Optimum Returns and the International Division of Labour ", appended to Chapter 5 of the SURVEY for 1954, and V. Černianský, " The Problems of the Economic Effectiveness of Foreign Trade ", *Politická Ekonomie* No. 4, 1957.

[39] See M. Kalecki & J. Polaczek, in *Gospodarka Planowa* No. 4, 1957.

In Hungary examples of rates (in forints to the dollar) being applied in 1955 were, for crude aluminium, locomotives, cotton cloth and shoes 25.8, for wheat 35.2, for live pigs 47.

If the reforms now contemplated in several eastern European countries are carried through, it will become easier to take relative costs into account in determining production and trade policies, but it will still be a matter for decision how much weight such considerations should be given. The costs of autarky are by now probably insignificant for the Soviet Union; indeed, the complete absence of discussion of foreign trade problems during the recent phase of fundamental reconsideration of economic policies and methods of economic management is in striking contrast with the intense interest displayed in such problems in eastern Europe.

For these smaller countries the heavy costs of autarky have been abundantly demonstrated. Clearly they would have benefited from more specialization in production and more reliance on trade with each other as well as with the outside world. But under the systems of economic organization that have persisted so far they would undeniably face difficulties in orienting their economies towards a very greatly increased reliance on trade with markets in the western industrial countries, where the need for flexibility and rapid adaptation to changes in market conditions is becoming steadily greater as these countries move towards a progressively freer trading system.

If the tendencies already apparent for a relaxation of rigid direction of every detail of economic activity are carried forward on the lines now contemplated,[40] it should become easier for eastern European trading agencies to operate effectively in western markets. It has already been suggested in Hungary that one pre-requisite for success is to allow foreign trade agencies greater scope to give orders — based on a study of market possibilities — to industry rather than obliging them to try to sell what industry happens to have available for foreign markets.[40a] In addition, there is clearly room for greater attention to marketing techniques, provision of after-sales service on exports of machinery, etc. However, fears have frequently been expressed during the last year by representatives of eastern European governments that a new threat to a mutually beneficial expansion of East-West trade is contained in the current plans for international economic co-operation within western Europe.

---

[40] See Chapter I, section 6.

[40a] See *Adatok és adalékok*, p. 317.

5. Some Factors affecting Future Trade Development

The Possible Impact of Economic Integration Plans in Western Europe

It has been suggested that the Common Market to be gradually established by the European Economic Community, and the projected western European Free Trade Area, will drastically narrow the openings for sales by non-member countries within the area. Attention has, for example, been drawn to instances where the common tariff to be applied by the six countries of the Community exceeds the average of existing tariffs, and thus threatens a greater discrimination against the trade with non-members than would in any case be implied by the creation of the new preferential area with strict regard for the stipulations of the General Agreement on Tariffs and Trade. Fears have also been expressed about the effects on East-West German trade—at present free of tariffs, though subject to strict quantitative control.

The further information on the plans of the Community that has become available within the last year provides little reason to change the views about the likely impact of the Common Market on East-West trade that were expressed in the last Survey.[41] In general terms, the tendency of the new preferential arrangements may be to worsen the terms on which non-member countries can sell manufactures within the area, while raw materials seem likely to be little affected. Immediately, the possibility of adverse effects is most important to Czechoslovakia — more dependent on western European markets for manufactures than are the other eastern European countries — but potentially all those countries aiming at building up their sales of manufactures are affected. In general the common tariff rates fixed for manufactured goods are at a level high enough to be a significant factor in market conditions.

The provisions of the Common Market Treaty relating to foodstuffs give no clear guide to the developments to be expected in trading conditions in this sector. The tariff on bread grain will remain low; that on butter (24 per cent) is approximately the average of existing tariffs; and if averages of existing rates were applied to other dairy products (on which it is stated that rates will be subject to negotiation) the results would be in the range of 10 per cent to 20 per cent. For meat the common-tariff rates are from 16 per cent to 20 per cent on major products. All these are levels sufficiently high to provide a significant preference for producers within the area, but more important is the still unanswered question how the other agricultural provisions — relating to minimum prices, etc. — will affect the market available to outside suppliers.

---

[41] See the Survey for 1956, Chapter IV, p. 20.

However, the immediate concern of most of the eastern European countries is with the problem of raising production of basic foodstuffs at least as fast as the needs of their consumers increase, and it is only for certain special commodities — Polish and Hungarian livestock products[42] and Bulgarian and Hungarian fruit, vegetables and wines, for example — that the prospect of narrowing markets in western Europe is of immediate relevance.

While, however, the factors reviewed above raise problems for the eastern European countries, as indeed for all non-members of the Common Market,[43] their adverse effects might well be completely offset, as has been pointed out in Chapter V, if economic integration in western Europe resulted in a much smoother and more rapid expansion of incomes in that area than would otherwise have taken place.

Co-operation within Eastern Europe and with the Soviet Union

As six of the western European countries begin to seek the benefits of specialization and economies of large-scale production, through the abolition of barriers to the movement of goods, labour and capital among themselves, the countries of eastern Europe are paying increasing attention to the possibility of planned specialization of their production and mutual trade. The Council for Mutual Economic Aid has recently become more active, and all member countries are preparing fifteen-year plans which will form the basis for the new efforts in co-operation; and in some sectors comparison and co-ordination of draft plans is already far advanced.[44]

The major aims of the Council appear to be, first, to ensure that production is developed on a pattern designed to eliminate the present hampering shortages of fuels and raw materials and, secondly, to promote such specialization as will give opportunities for reducing costs through large-scale production.[45] The most important schemes so far agreed in the former field are for Polish - eastern German development of brown-coal mines in Poland and for Polish-Czechoslovak development of Polish hard-coal production. The first scheme aims at developing two open-cast collieries to an annual production of 25 million tons. Poland will supply eastern Germany with some 6 million tons of brown coal a year from the new development until the resources are completely exhausted, and the remaining 20 million tons expected each year will be used by Poland in power stations and chemical plants. An eastern German credit to Poland of 400 million roubles ($100 million) will become available during the ten-year period of construction, and repayment in deliveries of coal and electric power will begin six years after the credit is spent. The Czechoslovak scheme will provide equipment deliveries on credit to the amount of 250 million roubles ($62.5 million) in return for repayment in regular coal deliveries up to 1965, but it seems that the final decisions needed to bring the agreement into effective operation have not yet been taken.

In the metals sector the Soviet Union is to provide credit and other assistance to Bulgaria to develop lead and zinc production, and plans exist for co-operative development of chemicals production by Poland and eastern Germany and by Poland and Czechoslovakia. These plans provide for increased production and mutual trade in potassium salts from eastern Germany and phosphates for fertilizers and coal distillery products in Poland; and Czechoslovakia is to co-operate in the development of sulphur production in Poland with a credit of 100 million roubles ($25 million). Eastern Germany is to assist the development of straw cellulose production in Bulgaria and, together with Poland and Czechoslovakia, of reed cellulose production in Rumania.

---

[42] If present policies in the United Kingdom remain unchanged, the Common Market and Free Trade Area would probably have little effect on that country's trade in foodstuffs with the outside world.

[43] If the projected Free Trade Area comes into being, the disadvantages for non-member countries will be extended but not different in kind.

[44] For a list of the committees established by the Council to promote co-operation in various sectors — and which have been extremely active since the middle of 1957 — see the *Economic Bulletin for Europe*, Vol. 9, No. 3, p. 18. A " multilateral payments scheme " (with the State Bank of the U.S.S.R. as the clearing agent) is to come into operation in 1958; but it seems unlikely to affect more than a very small part of intra-member trade, at least in the early stages.

[45] Mr. Khrushchev, when expressing criticism of the lack of economic co-operation among the small countries of eastern Europe (in an interview given to an official party of Hungarian journalists touring the Soviet Union, as quoted in *Népszabadság* of 21 July 1957) seemed to be mainly concerned with this aspect of the problem:

> " We already said a long time ago that a better co-operation should be established between our countries. It is impossible to have developed everything everywhere simultaneously. Unfortunately we have often spoken in vain. Hungarians, Poles, Rumanians and also the others have tried to build up everything by themselves. Perhaps it is only small Albania which has not attempted this . . . In the Soviet Union this naturally is not the same problem as elsewhere since Soviet industry produces for a vast demand. The same applies to China with its immense population. But for small countries this creates very great problems, for which solutions cannot be found within national boundaries.
>
> " As regards tractor or motor vehicle production, for example, the situation today is that tractors and motor vehicles are produced not only in the Soviet Union but by Poland, Czechoslovakia, Hungary and Rumania. Thus production is not always profitable, since small quantities are produced for a small home market, and no substantial quantities can be sold abroad. To make it profitable, large quantities ought to be produced. Capitalist experts have found out that it is mass production which renders production cheap and economic. We Marxists, too, have to see the importance of this problem. The sooner and the better we develop the division of labour between our countries, the greater will our economies be. Each socialist country has to succeed in producing a great part of its products in large quantities, and at low cost."

The projects for developing the electric power resources of the Danube and the natural gas resources of Rumania have so far reached less advanced stages of preparation. The scheme for developing other inland waterways of common interest — already in process of achievement — has been described in Chapter I.[46]

Some progress seems to have been made in coòrdinating plans for civilian engineering output — supplementing the co-operation in the military field that has always existed — on the basis of the recommendations by a Council meeting in May 1956 in Berlin at which 600 types of machinery were identified for specialization.[47] So far as machine tools are concerned the results were slight, but bilateral agreements covering other products have been concluded on the basis of these recommendations in the course of 1957. These are mostly capacity utilization agreements and not projects demanding new investments. The participants have been the Soviet Union on the one hand and Czechoslovakia and eastern Germany on the other, and some co-operation has also developed between Czechoslovakia, eastern Germany and Poland.

The three-year trade agreements covering the years 1958-1960, which also appear to have been concluded under the auspices of the Council for Mutual Economic Aid, seem to be intended to deal in an interim manner with the more pressing problems of the area while attempts are being made to elaborate longer-term solutions. Agreements between the Soviet Union and all the eastern European countries except Rumania have been announced, and the details released on the agreements with eastern Germany, Hungary, and Poland show a considerable planned increase in trade[48] (annual average turnover in millions of dollars):

	1958-1960	*Percentage of 1957*	
		1958	*1958-1960*
Eastern Germany	1 850 [a]	114	120
Hungary	450 [b]	116	131
Poland	704	116	128

[a] Of which detailed commodity lists have been prepared for $\$1^{3}/_{4}$ billion.

[b] Estimated on the assumption of imports at the 1958 level ($242 million in all years) and exports gradually increasing from their 1958 level ($150 million) to equal imports.

The Soviet Union is apparently prepared to continue its role as a major supplier of raw materials to these countries. Deliveries of coal, coke, pig iron and rolled steel to eastern Germany are to rise by 12 to 17 per cent over the 1957 level in 1958, and Hungary is to be provided with all its import needs of petroleum and iron ore during 1956 to 1960 and 40 per cent of its total imports of raw materials. Deliveries to Poland are planned as follows:

	1957	*1960*	*Percentage rise over four years*
	Thousands of tons		
Crude oil	617	670	9
Petroleum products	660	1 140	73
Iron ore	4 000	6 400	60
Aluminium	3.4	5	47
Cotton	60	78	30

They will also meet the total import demand for nickel, tin, manganese ores and flax. In return, exports equivalent to about 40 per cent of current Polish trade are to go to the Soviet Union, with machinery contributing the bulk of the deliveries. Eastern German exports to the Soviet Union will consist of engineering and light industrial and chemical products, while in the exports of Hungary the products of metal-using industries (engineering and precision instruments) will have a share of 75 per cent, the rest being consumers' goods, probably including some food.

Soviet trade with Bulgaria is also expected to rise fast (percentage increases in 1960 over 1957):

Imports into Bulgaria	
Rolled steel	15
Ferro-alloys	43
Rolled aluminium	82
Machinery and equipment	87
Cotton	50 [a]
Exports from Bulgaria	
Lead	15
Cement	200
Knitted wear	50
Tobacco	14
Fresh fruit and grapes	80 to 100
Fresh vegetables	133
Cigarettes	100
Canned vegetables	71
Fruit pulp, canned and dried fruit	50 to 420

[a] Over 1958.

Large increases in imports of crude oil and petroleum products are also reported to have been agreed.

---

[46] See Chapter I, section 3.

[47] For a summary of the production programmes as envisaged at the end of 1956, see Table XXVII (p. A—42) of the *Economic Survey of Europe in 1956*.

[48] The sources of the following and subsequent figures are: *Neues Deutschland*, 1 October 1957 and 28 February 1958; *Népszabadság*, 29 January and 1 February 1958; *Statisztikai havi Közlemenyek*, No. 12, 1957; *Trybuna Ludu*, 5 February 1958; *Vneshna Trgovia*, No. 1, 1958.

Of the fifteen three-year trade agreements scheduled between the pairs of eastern European countries other than Albania [49] eight have been reported as concluded by early in March 1958. Only incomplete details are known, but they suggest that while Hungary expects to be able to expand its trade in the three years with Czechoslovakia and Poland, the limits of expansion may have been reached, for the time being, in trade between Hungary and Bulgaria as well as between Czechoslovakia and eastern Germany.

The commodity lists show many of the goods traditionally exchanged between the pairs of countries in the post-war period, but Bulgaria appears to be planning increasingly to export non-ferrous metals, mainly lead, and electro-technical products (motors and accumulators). Hungary is rapidly to increase its exports of bauxite (from 25,000 tons in 1957 to 30,000 tons in 1958) and in particular of aluminium, and in turn foresees imports from Poland of 300,000 tons of coke (in 1956 343,000 tons) and 600,000 tons of coal in 1958 (slightly above the highest previously recorded level — 589,000 tons in 1954). Poland and Czechoslovakia expect to increase their exchange of various rolled steel products to 160,000 tons by 1960.

Looking farther ahead, much depends on whether or not the Soviet Union is prepared to continue to supply increasing quantities of the raw materials vital for eastern European industries and to absorb in return their manufactured exports. While trade in manufactures among the eastern European countries themselves could well expand — as could trade in some raw materials and fuels — provided that production in those sectors can be greatly increased, their economies have certainly become less complementary during the post-war period. The advantages of their looking increasingly to East-West trade in future are fairly obvious. Their developing needs for raw materials will probably have to be satisfied in some — not inconsiderable — part from sources outside the eastern trade area, and particularly from the raw material producing countries overseas. These countries also offer attractive possibilities as export markets for the growing engineering capacities in eastern Europe on the assumption that the latter countries in fact expand their purchases. However, the industrialized countries seem still to be the areas which offer the best possibility of earnings in convertible currency which will allow the eastern European exporters to make the optimum use of their inevitably scarce foreign-exchange resources.

NOTES TO THE STATISTICS

Certain features of the data available from the eastern European countries and the Soviet Union need to be borne in mind when interpreting the tables in this chapter.

First, the principles of valuation used in foreign trade statistics are not uniform. In Czechoslovakia, eastern Germany and the Soviet Union, imports and exports are valued in all the years covered f.o.b. frontier of the supplying country. In Hungary, up to 1951 valuation was f.o.b. Hungarian frontier for exports, and c.i.f. for imports. Since then all costs up to the point of transfer of ownership are included in import and export values; in fact, it is stated that this amounts to valuation at contract prices, and that for trade with capitalist countries *it approximates to a general valuation of imports f.o.b. and exports c.i.f. The practices of Bulgaria and Poland are not precisely known.*

---

[49] Only some of the terms of the Polish-Albanian three-year agreement, which stipulates an increase in turnover by 50 per cent over 1957 by 1960, are known. Poland grants a credit of an unknown amount to Albania and expects to import, *inter alia*, crude oil and chrome ore. Hungary also is known to have concluded a three-year agreement with Albania.

Secondly, re-exports and imports for re-export are probably generally included in import and export totals (this is certainly so in Hungary and the Soviet Union); but they are excluded in eastern Germany.

Finally, commodity classifications are not identical in every country, as the footnotes to the tables indicate.

The data shown in the tables have not been adjusted to eliminate the effects of the known or suspected differences in practice described above.

Supplementation of the eastern European and Soviet data from other sources, used mainly for distributing between western Europe and overseas the known trade with countries outside the eastern trade area, involves an unavoidable margin of error due to:

(a) *Incomplete reporting, especially in statistics of overseas countries, of trade with eastern Europe, the Soviet Union and Mainland China;*

(b) *The practice of most western countries in reporting trade according to countries of origin and final destination (or shipment), whereas the eastern trading countries normally report according to countries of purchase and sale;*

(c) *Differences in composition of commodity classes (as, for instance, the difference between the SITC classification and that adopted by the Council for Mutual Economic Aid);*

(d) *Differences in f.o.b. or c.i.f. valuation practices.*

TABLE VI-A

Network of exports and imports in the eastern trade area by individual countries, 1948-1956

Millions of current dollars (f.o.b. exporting country up to 1951 ; including transport costs to place of effective delivery from 1952)

Exporting countries	Year	Importing countries											Total exports to east trade area
		Albania	Bulgaria	Czecho-slovakia	Eastern Germany	Hungary	Poland	Rumania	Total of seven countries	Soviet Union	China	Other countries in the area *a*	
Albania	1948		—	—	—	—	—	—	—	..	—	—	..
	1950		—	*1*	—	*1*	—	—	*2*	*1*	—	—	*3*
	1951		—	*2*	—	*1*	*1*	—	*4*	*3*	—	—	*7*
	1952		—	*3*	*1*	*2*	*2*	*1*	*9*	*5*	—	—	*14*
	1953		—	*3*	*1*	*1*	*1*	*2*	*8*	*5*	—	—	*13*
	1954		*1*	*3*	*1*	*1*	*1*	*1*	*8*	*8*	—	—	*16*
	1955		*1*	*2*	*1*	*2*	*1*	*2*	*9*	*6*	—	—	*15*
	1956		*1*	*3*	*2*	*2*	*1*	*2*	*11*	*8*	—	—	*19*
Bulgaria	1948	—		13	6	2	6	1	28	63	—	—	91
	1950	—		*16*	*5*	*5*	*11*	*3*	*40*	*66*	—	—	*106*
	1951	*1*		*19*	*11*	*4*	*9*	*3*	*47*	*66*	—	—	*113*
	1952	1		21	11	6	10	3	52	98	1	1	152
	1953	2		19	20	10	9	3	63	105	5	1	174
	1954	1		24	33	12	14	6	90	102	4	5	201
	1955	2		25	33	10	7	9	86	108	5	4	203
	1956	1		33	48	14	11	10	117	170	5	4	296
Czechoslovakia	1948	—	16		10	22	53	24	125	120	1	—	246
	1950	*2*	*18*		*37*	*30*	*82*	*36*	*205*	*191*	*10*	—	406
	1951	*4*	*18*		*43*	*47*	*83*	*34*	*229*	*242*	*38*	—	509
	1952	5	20		52	76	97	41	291	291	48	—	630
	1953	*6*	*34*		*67*	*72*	*95*	*82*	*356*	*325*	*85*	*8*	774
	1954	*6*	*31*		*78*	*65*	*86*	*31*	*297*	*359*	*87*	*8*	751
	1955	6	43		80	64	103	37	333	403	58	9	803
	1956	5	36		140	59	99	35	374	428	65	19	886
Eastern Germany	1948	—	*2*	*15*		—	*38*	*3*	*58*	*48*	—	—	*106*
	1950	—	*4*	*32*		*9*	*78*	*3*	*126*	*151*	—	—	277
	1951	*1*	*9*	*43*		*22*	*126*	*10*	*211*	*330*	*21*	—	562
	1952	*2*	*12*	*48*		*37*	*109*	*21*	*229*	*284*	*41*	*1*	555
	1953	3	20	57		43	109	31	263	434	60	7	764
	1954	3	24	73		47	134	26	307	586	98	12	1 003
	1955	6	21	94		46	124	25	316	515	98	10	939
	1956	5	33	110		48	139	29	364	568	95	13	1 040
Hungary	1948	—	2	21	1		4	2	30	28	—	—	58
	1950	4	6	35	24		27	25	121	95	—	—	216
	1951	3	5	52	13		32	15	120	129	21	2	272
	1952	3	7	58	30		36	19	153	148	21	3	325
	1953	2	9	70	36		32	26	175	187	30	4	396
	1954	3	9	75	49		29	15	180	172	31	3	386
	1955	4	9	79	65		32	19	208	153	37	4	402
	1956	*5*	6	62	38		23	12	146	121	37	*5*	309
Poland	1948	—	8	45	40	4		6	103	111	—	—	214
	1950	3	11	58	88	27		13	200	154	6	—	360
	1951	3	8	88	88	31		11	229	181	26	—	436
	1952	2	8	84	103	28		9	234	247	24	—	505
	1953	3	15	95	111	28		10	262	275	31	—	568
	1954	2	7	77	113	25		10	234	329	37	—	600
	1955	3	9	75	118	25		12	242	280	35	8	565
	1956	2	6	76	108	25		19	236	270	50	16	572
Rumania	1948	—	*2*	*30*	*2*	*4*	*6*		*44*	..	..	..	..
	1950	*1*	*3*	*23*	*3*	*22*	*12*		*64*	..	..	..	..
	1951	*2*	*1*	*34*	*8*	*18*	*13*		*76*	..	..	..	..
	1952	*2*	*3*	*38*	*15*	*22*	*18*		*98*	..	..	..	..
	1953	*2*	*5*	*57*	*15*	*20*	*13*		*112*	..	..	..	..
	1954	*3*	*9*	*24*	*22*	*17*	*13*		*88*	..	..	..	..
	1955	*3*	*10*	*42*	*38*	*19*	*12*		*124*	..	..	..	..
	1956	*3*	*9*	*28*	*29*	*13*	*14*		*96*	*254*	..	..	..
Total of imports from above listed seven exporting countries	1948	—	*30*	*124*	*59*	*32*	*107*	*36*	*388*	..	..	..	..
	1950	*10*	*42*	*165*	*157*	*94*	*210*	*80*	*758*	..	..	..	..
	1951	*14*	*41*	*238*	*163*	*123*	*264*	*73*	*916*	..	..	..	..
	1952	*15*	*50*	*252*	*212*	*171*	*272*	*94*	*1 066*	..	..	..	..
	1953	*18*	*83*	*301*	*250*	*174*	*259*	*154*	*1 239*	..	..	..	..
	1954	*18*	*81*	*276*	*296*	*167*	*277*	*89*	*1 204*	..	..	..	..
	1955	*24*	*93*	*317*	*335*	*166*	*279*	*104*	*1 318*	..	..	..	..
	1956	*21*	*91*	*312*	*365*	*161*	*287*	*107*	*1 344*	*1 819*	..	..	..

TABLE VI-A (*continued*)

Network of exports and imports in the eastern trade area by individual countries, 1948-1956

Millions of current dollars (f.o.b. exporting country up to 1951 ; including transport costs to place of effective delivery from 1952)

Exporting countries	Year	Importing countries											Total exports to east trade area
		Albania	Bulgaria	Czecho-slovakia	Eastern Germany	Hungary	Poland	Rumania	Total of seven countries	Soviet Union	China	Other countries in the area [a]	
Soviet Union	1948	. .	*75*	*120*	*65*	*25*	*120*	. .	. .		. .	. .	. .
	1950	*14*	*78*	*191*	*197*	*77*	*192*	. .	. .		388	. .	1 500
	1951	*16*	*83*	*273*	*272*	*101*	*241*	. .	. .		. .	. .	. .
	1952	*17*	*90*	*319*	*355*	*118*	*275*	. .	. .		554	. .	. .
	1953	*22*	*97*	*339*	*458*	*142*	*264*	. .	. .		698	. .	. .
	1954	*10*	*90*	*358*	*457*	*146*	*337*	. .	. .		. .	. .	. .
	1955	*15*	*89*	*365*	*422*	*99*	*313*	. .	. .		. .	. .	2 753
	1956	*19*	*104*	*390*	*557*	*105*	*344*	*249*	*1 768*		733	*212*	2 713
China	1948	. .	—	—	—	—	—	. .	. .	. .		. .	. .
	1950	. .	—	*4*	—	—	*2*	. .	. .	*188*		. .	. .
	1951	. .	—	*26*	*15*	*25*	*23*	. .	. .	. .		. .	. .
	1952	. .	*2*	*47*	*30*	*27*	*34*	. .	. .	*414*		. .	. .
	1953	. .	*5*	*40*	*53*	*34*	*27*	. .	. .	*475*		. .	. .
	1954	. .	*4*	*60*	*68*	*27*	*30*	. .	. .	. .		. .	. .
	1955	. .	*4*	*61*	*87*	*29*	*35*	. .	. .	. .		. .	. .
	1956	. .	*5*	*66*	*86*	*28*	*35*	. .	. .	*764*		. .	. .
Outer Mongolia, North Korea and North Viet-Nam	1948	—	—	—	—	—	—	. .	. .	. .	. .		. .
	1950	—	—	—	—	—	—	. .	. .	. .	. .		. .
	1951	—	—	—	—	—	—	. .	. .	. .	. .		. .
	1952	—	—	—	—	—	—	. .	. .	. .	. .		. .
	1953	—	—	—	—	—	—	. .	. .	. .	. .		. .
	1954	—	—	—	—	—	—	. .	. .	. .	. .		. .
	1955	—	—	—	—	—	—	. .	. .	. .	. .		. .
	1956	—	—	—	*2*	—	*2*	. .	. .	*109*	. .		. .
Total of imports from all above listed exporting countries	1948	. .	*105*	*244*	*124*	*57*	*227*	. .	. .	. .	. .	. .	
	1950	*24*	*120*	*360*	*354*	*171*	*404*	. .	. .	. .	. .	. .	
	1951	*30*	*124*	*537*	*450*	*249*	*528*	. .	. .	. .	. .	. .	
	1952	*32*	*142*	*618*	*597*	*316*	*581*	. .	. .	. .	. .	. .	
	1953	*40*	*185*	*680*	*761*	*350*	*550*	. .	. .	. .	. .	. .	
	1954	*28*	*175*	*694*	*821*	*340*	*644*	. .	. .	. .	. .	. .	
	1955	*39*	*186*	*743*	*844*	*294*	*627*	. .	. .	. .	. .	. .	
	1956	*40*	*200*	*768*	*1 010*	*294*	*668*	. .	. .	*2 692*	. .	. .	

Source : See Appendix B.

NOTE. — Figures are as reported by the exporting countries. Figures derived from partner's trade statistics, percentage shares in the trade or index numbers are printed in italics.

Total imports from the eastern trade area are reported by the importing countries as follows:

Total imports from all countries in eastern trade area	1948	. .	104	234	117	57	219	. .	. .	. .	. .	. .	. .
	1950	. .	120	345	357	179	408	. .	. .	1 136	. .	. .	. .
	1951	. .	121	538	444	259	535	. .	. .	. .	. .	. .	. .
	1952	. .	140	621	580	321	583	. .	. .	. .	. .	. .	. .
	1953	. .	174	694	750	345	557	. .	. .	. .	. .	. .	. .
	1954	. .	171	698	808	348	641	. .	. .	. .	. .	. .	. .
	1955	. .	168	745	827	294	599	. .	. .	2 399	. .	. .	. .
	1956	. .	202	785	960	277	668	. .	. .	2 692	. .	. .	. .

[a] Outer Mongolia, North Korea and North Viet-Nam.

TABLE VI-B

Trade in coal, mineral oil and their derivatives of eastern European countries and the Soviet Union [a]

Exports (+) and imports (−) in thousands of tons and (in italics) net exports as a percentage of production or net imports as a percentage of apparent consumption

		1950	1951	1952	1953	1954	1955	1956	1956 January to September	1957 January to September
Bulgaria	Hard coal	+72	..	+98	+10	—	—	+192	+151	+251
		+46	..	*+41*	*+4*	—	—	*+52*	..	..
	Hard-coal coke	−20	..	−34	−34	−50	−55	−44	−30	+129
		−69	..	*−77*	*−77*	*−88*	*−85*	*−81*	..	..
	Refined oil	−138	..	−301	−326	−343	−372	−451	−330	−439
		−97	..	*−98*	*−98*	*−98*	*−94*	*−88*	..	..
Czechoslovakia	Hard coal	+721	..	..	+406	+448	+550	+556	..	..
		−3 966	..	..	−4 420	−4 406	−4 066	−3 451	..	..
		−15	..	..	*−16*	*−15*	*−14*	*−11*	..	..
	Hard-coal coke	+1 250	+987	+1 349	+1 259	+1 133	+1 198	+1 256	+981	+880
		+23	*+18*	*+22*	*+19*	*+17*	*+17*	*+17*	*+18*	*+16*
	Brown coal	+1 451	..	..	..	+821	+1 001	+1 150	..	..
		−375	..	..	..	−304	−443	−391	..	..
		+4	..	..	..	*+1*	*+1*	*+2*	..	..
	Crude oil and refined oil products	−393	−563	−652	−605	−935	−1 060	−1 176	−932	−1 179
Eastern Germany	Hard coal	−3 467	−3 456	−3 940	−6 081	−6 505	−6 338	−5 640	..	..
		−55	*−52*	*−59*	*−70*	*−71*	*−70*	*−67*	..	..
	Hard-coal coke	−1 687	−1 550	−1 917	−2 061	−2 604	−2 613	−2 271	−1 462	−2 050
		−52	*−47*	*−49*	*−47*	*−50*	*−49*	*−45*	..	..
	Brown coal	−3 884	−3 720	−4 008	−4 209	−4 394	−4 135	−4 575	..	..
		−3	*−2*	*−2*	*−2*	*−2*	*−2*	*−2*	..	..
	Brown-coal briquettes	+1 445	+1 998	+2 542	+2 947	+4 097	+5 219	+4 462	+3 582	+3 772
		+4	*+4*	*+6*	*+6*	*+9*	*+10*	*+9*	*+9*	*+9*
	Brown-coal coke	+160	+69	+33	+28	+23	+40	+55	..	..
		+3	*+1*	*+1*	*+0*	*+0*	*+1*	*+1*	..	..
	Crude oil	−156	−250	−268	−460	−591	−648	−798	..	..
		−100	*−100*	*−100*	*−100*	*−100*	*−100*	*−100*	..	..
	Synthetic oil products	+250	+183	+183	+263	+425	+457	+358	..	..
Hungary	Hard coal	−335	−464	−645	−787	−929	−792	−840	−486	−2 046
		−100	*−100*	*−100*	*−100*	*−100*	*−100*	*−100*	*−100*	*−100*
	Hard-coal coke	−609	−532	−839	−945	−1 135	−1 237	−1 051	..	−823
		−73 b	*−66* b	*−71* b	*−72* b	*−74* b	*−75* b	..	..	..
	Brown coal	+47	+126	+211	+428	+698	+527	+216	+198	+25
		+0	*+1*	*+1*	*+2*	*+3*	*+2*	*+1*	*+1*	*+0*
	Crude oil	+25	+25	+26	+49	+157	+156	..	..	..
		−7	−188	−259	−324	−316	−232	−324	..	−734
		+4	*−25*	*−28*	*−25*	*−13*	*−5*	..	..	..
	Refined oil products	+125	+161	+174	+147	+142	+256	..	..	..
		−65	−108	−94	−110	−80	−106	−129	..	−163
		+12 c	*+9* c	*+12* c	*+5* c	*+8* c	*+17* c	..	..	..
Poland	Hard coal	+26 461	..	+24 500	+24 235	+24 235	+24 146	+19 187	..	+10 400
		+34		*+28*	*+27*	*+26*	*+26*	*+20*	..	*+14*
	Hard-coal coke	+1 574	..	..	+1 821	+1 927	+2 240	+2 240	..	+1 437
		+28	..	..	*+23*	*+23*	*+22*	*+21*	..	*+18*
	Brown coal	+3 798	..	..	..	..	+4 096	..	..	..
		+79	..	..	..	..	*+68*	..	..	..
	Crude oil	−184	..	..	−412	−463	−545	−537	..	−471
		−53	..	..	*−69*	*−72*	*−75*	*−74*	..	*−78*
	Refined oil products	−247	..	..	−535	−716	−886	−952	..	−836
Rumania	Hard-coal coke	−218	−332 *	−498 *	−514 *	−560 *	−739	−725	..	..
		−75	..	..	..	..	*−84*	*−74*	..	..
	Refined oil products	+2 400 *	..	..	..	..	+6 000 *	+5 600 *	..	..
		+48 d	..	..	..	..	*57* d	*51* d	..	..
Six eastern European countries	Hard coal	+19 461 e	..	..	+13 363	+12 826 e	+13 444 e	+10 004 e	..	..
	Brown coal and briquettes	+2 482	..	..	..	..	+6 265	..	..	..
	Hard-coal coke	+290	..	..	−474	−1 289	−1 206	−595	..	..
	Crude oil f	−519	..	..	−1 450	−1 681	−1 799	−2 247	..	..
	Refined oil	+2 129	..	..	..	..	+4 819	+3 838	..	..

Sources and methods : See Appendix B.

[a] The only data available for the Soviet Union are as follows:

Hard coal	*Hard-coal coke*		*Crude oil*	*Refined oil products*
1956	*1955*	*1956*	*1956*	*1956*
+5 427	+1 617	+1 965	+3 900	+6 100
−6 140	− 450	−601	−1 500	−3 800
−0	*+3*	*+3*	*+3*	*+3*

[b] As a percentage of hard and brown coke consumption (ton for ton).

[c] As a percentage of production or consumption excluding that of home-produced fuel oil.

[d] As a percentage of total crude oil output.

[e] Including generally small amounts of known imports by eastern European countries without details by countries.

[f] Assuming an equal distribution between crude and refined oil in imports by Czechoslovakia.

TABLE VI-C

Trade in hard-coal coke in eastern Europe

Thousands of tons

Exporting countries	Year	Importing countries							Un-specified	Total of exports
		Bulgaria	Eastern Germany	Hungary	Rumania	Total eastern Europe	Soviet Union	Western Europe		
Czechoslovakia	1950	5 *	987 *	216	5	1 213	—	48	—	1 261
	1953	16	. .	309	. .	. .	. .	6	. .	1 259
	1954	20	. .	253	. .	. .	. .	16	. .	1 132
	1955	17	737	250	50 *	1 054	15	48	81	1 198
	1956	20	677	237 *	100 *	1 034	—	151	72	1 257
	1956 Jan.-	. .	. .	. .	. .	. .	. .	. .	. .	981
	1957 Sept.	. .	. .	. .	. .	. .	. .	. .	. .	880
Poland	1950	10 *	600	172	90 *	872	328	500	—	1 700
	1953	15	901	256	121	1 293	371	110	47	1 821
	1954	19	1 047	208	107	1 381	481	20	45	1 927
	1955	20	1 059	336	236	1 651	435	64	90	2 240
	1956	2	568	343	185	1 098	589	519	34	2 240
	1957 Jan.-Sept.	. .	643	236	128	. .	346	. .	. .	. .
Total of two eastern European exporters	1950	15 *	1 587 *	388	95	2 085	328	548	—	2 961
	1953	31	. .	565	. .	. .	. .	116	. .	3 080
	1954	39	. .	461	. .	. .	. .	36	. .	3 059
	1955	37	1 796	586	286	2 705	450	112	171	3 438
	1956	22	1 245	580	285	2 132	589	670	106	3 497
	1957 Jan.-Sept.	. .	. .	. .	. .	. .	. .	. .	. .	2 317
Soviet Union	1950	5 *	—	221	123	349		—	—	349
	1953	3	. .	. .	298	. .		. .	. .	. .
	1954	11	. .	. .	391	. .		. .	. .	. .
	1955	18	627	384	437	1 466		151	—	1 617
	1956	22	921	421	414	1 778		177	10	1 965
Western European exports to eastern Europe	1950	—	100	—	—	100	—	—	—	100
	1953	—	—	—	—	—	—	—		—
	1954	—	230		—	230	—	—	—	230
	1955	—	190	267	—	457	—	—	—	457
	1956	—	105	50	—	155	—	—	—	155
Total of above listed exporting countries to eastern Europe	1950	20	1 687	609	218	2 534	328	548	—	3 410
	1953	34	2 061	945	514	3 554	. .	. .	. .	. .
	1954	50	2 604	1 135	560	4 349	. .	. .	. .	. .
	1955	55	2 613	1 237	723	4 628	450	263	171	5 512
	1956	44	2 271	1 051	699	4 065	589	847	116	5 617
	1956 Jan.-	30	1 462	. .	. .	. .	. .	. .	. .	. .
	1957 Sept.	129	2 037	823	. .	. .	. .	. .	. .	. .

Sources : Statistical yearbooks and bulletins; direct communications from governments; *Probleme economice*, No. 10, 1957; and foreign trade statistics published by western European countries.

TABLE VI-D

Production and apparent consumption of coal, mineral oil and their derivatives in eastern Europe and the Soviet Union

Thousands of tons

A = Production B = Apparent consumption

		1948	1950	1951	1952	1953	1954	1955	1956	1957
Bulgaria										
Hard coal	A	127	157	190	237	269	294	293	370	. .
	B	55	85	. .	139	259	294	293	178	. .
Hard-coal coke	A	8	9	10	10	10	7	10	10	. .
	B	22	29	. .	44	44	57	65	54	. .
Brown coal	A	4 140	5 771	6 224	7 173	8 076	8 631	9 758	10 447	. .
Crude oil	A	—	—	—	—	—	5	150	247	285
Refined oil	A	1	5	6	7	8	8	22	59	. .
	B	159	. .	. .	308	334	351	394	510	. .
Czechoslovakia										
Hard coal	A	17 746	18 456	18 392	20 270	20 341	21 605	22 135	23 411	24 200
	B	. .	21 701	. .	. .	24 355	25 563	25 651	26 306	. .
Hard-coal coke	A	4 881	5 399	5 469	6 138	6 500	6 789	7 000	7 327	7 500
	B	3 200	4 149	4 482	4 789	5 241	5 656	5 802	6 071	6 341
Brown coal	A	22 579	26 406	28 998	31 915	32 763	36 063	38 716	44 149	49 000
	B	. .	25 330	. .	. .	. .	35 546	38 158	43 370	. .
Crude and refined oil products	B	395 [a]	393 [a]	563 [a]	652 [a]	605 [a]	935 [a]	1 060 [a]	1 176 [a]	1 600 *
Eastern Germany										
Hard coal	A	. .	2 805	3 204	2 754	2 638	2 648	2 682	2 743	2 753
	B	. .	6 272	6 660	6 694	8 719	9 153	9 020	8 384	8 789
Hard-coal coke	A	. .	1 528	1 719	1 992	2 327	2 581	2 705	2 795	. .
	B	. .	3 215	3 269	3 909	4 388	5 185	5 318	5 066	. .
Brown coal	A	. .	137 050	151 252	158 462	172 752	181 913	200 612	205 866	212 600
	B	. .	140 934	154 972	162 470	176 961	186 307	204 747	210 441	. .
Brown-coal briquettes	A	. .	37 697	41 145	43 599	45 639	46 886	50 967	51 634	53 400
	B	. .	36 252	39 147	41 057	42 712	42 789	45 748	47 172	48 383 *
Brown-coal coke	A	. .	5 224	5 662	5 798	6 414	6 664	6 826	7 150	. .
	B	. .	5 064	5 593	5 765	6 386	6 641	6 786	7 095	. .
Crude oil	B	. .	156 [b]	250 [b]	268 [b]	460 [b]	591 [b]	648 [b]	798 [b]	998 [b]
Hungary										
Hard coal	B	. .	335	464	645	787	929	793	840	2 382
Brown coal	A	10 615	13 268	15 270	18 564	21 009	21 536	22 316	20 590	21 432
	B	. .	13 221	15 144	18 353	20 581	20 838	21 789	20 374	21 396
Hard- and brown-coal coke . .	A	203	231	274	339	373	401	421	. .	. .
	B	. .	840	806	1 178	1 318	1 536	1 658	. .	. .
Crude oil	A	480	512	499	598	846	1 217	1 601	1 200	672
	B	. .	494	652	831	1 121	1 376	1 677	. .	. .
Refined oil products	A	. .	484 [c]	563 [c]	655 [c]	754 [c]	827 [c]	887 [c]	. .	. .
	B	. .	424 [c]	510 [c]	575 [c]	717 [c]	760 [c]	737 [c]	. .	. .
Poland										
Hard coal	A	. .	78 001	82 000	84 400	88 700	91 600	94 500	95 149	94 096
	B	. .	51 540	. .	59 900	64 465	67 365	70 354	75 962	80 700 *
Hard-coal coke	A	. .	5 553	6 400	7 400	7 902	8 521	10 036	10 486	10 897
	B	. .	3 979	. .	. .	6 081	6 594	7 796	8 246	8 980 *

TABLE VI-D (*concluded*)

Production and apparent consumption of coal, mineral oil and their derivatives in eastern Europe and the Soviet Union

Thousands of tons

A = Production B = Apparent consumption

		1948	1950	1951	1952	1953	1954	1955	1956	1957
Poland (*concluded*)										
Brown coal	A	..	4 835	4 900	5 100	5 600	5 900	6 000	6 183	..
	B	..	1 037	..	..	..	..	1 904	..	..
Crude oil	A	..	162	..	..	189	184	180	184	181
	B	..	346	..	..	601	647	725	721	800 *
Refined oil products	B	..	247 *b*	..	..	535 *b*	716 *b*	886 *b*	952 *b*	1 100**b*
Rumania										
Hard and brown coal [d]	A	2 946	3 893	4 630	5 224	5 497	5 555	6 104	6 472	..
Hard-coal coke	A	..	72	..	..	..	..	144	256	..
	B	..	290	..	..	..	..	883	981	..
Crude oil	A	4 149	5 047	6 211	3 002	9 058	9 741	10 556	10 921	11 188
Crude and refined oil products	B	..	2 647 *	..	..	..	..	4 556	5 321 *	..
Six eastern European countries										
Hard coal	A	..	99 419	103 786	107 661	111 948	116 147	119 610	121 673	..
	B	..	79 958	..	..	98 585	103 321	106 166	111 669	..
Brown coal [d]	A	..	191 223	211 274	226 438	245 697	259 598	283 506	293 707	..
	B	..	190 186	..	..	..	..	282 460	..	..
Hard-coal coke	A	..	12 792	..	..	..	..	20 316	..	..
	B	..	12 502	..	..	..	..	21 522	..	..
Crude oil	A	..	5 721	..	..	10 093	11 147	12 487	12 552	12 326
	B	..	6 240	..	..	11 543	12 828	14 286	14 799	..
Natural and synthetic mineral oil products	B	..	3 574	..	..	..	..	7 103	..	..
Soviet Union										
Hard coal	A	150 000	185 200	202 480	215 000	224 300	243 700	276 700	303 700	..
	B	..	..	..	..	..	..	..	304 413	..
Hard-coal coke	A	..	27 700	..	..	..	..	43 600	46 600	..
	B	..	..	..	..	..	..	42 433	45 236	..
Brown coal	A	58 200	75 900	79 500	85 900	96 100	143 400	114 600	125 500	..
Crude oil	A	29 200	37 900	42 300	47 300	52 800	59 300	70 800	83 800	98 046
Crude oil and refined oil products [e]	B	..	..	..	..	..	..	..	79 100	..

Sources : National statistical yearbooks and bulletins for production; Tables 5 and 7 and Annex Tables VI-B and VI-C for foreign trade.

NOTE. — Apparent consumption is assumed to equal domestic production of brown coal and crude oil in Bulgaria and of hard and brown coal in Rumania. For 1957, apparent consumption is calculated on the basis of output figures for the whole year and trade figures for such months as are available (usually 9 or 11) adjusted to an annual rate.

[a] Only crude and refined oil imports (excluding production and home consumption of synthetic petrol). Half of these imports are assumed to be crude.

[b] Imports only.

[c] Excluding home-produced fuel oil (for which consumption in 1955 was 662,000 tons).

[d] Small amounts of hard-coal production and consumption in Rumania are included with the totals for brown coal.

[e] Crude oil production net of trade of crude and refined oil products appears ton for ton under apparent consumption without a deduction for refinery losses (on which no estimates are available).

TABLE VI-E

Net exports (+) or net imports (−) of steel and steel-making materials in eastern Europe and the Soviet Union

Quantities and (in italics) net exports as a percentage of production or net imports as a percentage of apparent consumption

	1948	1950	1951	1952	1953	1954	1955	1956	1956	1957
									Jan.-Sept.	
					Thousands of tons					
Bulgaria										
Iron ore	+34	..	..	+77	+98	+105	+120	+156	+107	+132
	180	..	..	*75*	*85*	*89*	*106*	*66*	..	..
Pig iron	−18	..	..	−30	−40	−67	−70	−121	−97	−83
	95	..	..	*81*	*89*	*92*	*91*	*93*	..	..
Rolled steel	−108	..	..	−134	−167	−162	−142	−166	..	..
	97	..	..	*92*	*93*	*84*	*66*	*62*	..	..
Czechoslovakia										
Iron ore	−1 824	−2 195	−2 560	−2 986	−3 038	−3 706	−3 923	−3 903	..	−4 918[a]
	63	..	..	*59*	*64*	*69*	*66*	*65*	..	..
Rolled steel[a]	+341	..	..	+436	..	..	+738	+574	+432	+197
Eastern Germany										
Iron ore	..	−5	−145	−398	−622	−812	−1 237	−1 275	−1 077	−1 083
	..	*1*	*23*	*34*	*31*	*36*	*43*	*44*	..	..
Pig iron	..	..	−273	−267	−205	−243	−294	−344	..	−444[a]
	..	..	*44*	*28*	*16*	*16*	*16*	*18*	..	..
Rolled steel	..	−341	−291	−289	−521	−613	−647	−778	..	−910[a]
	..	*30*	*21*	*18*	*26*	*26*	*25*	*28*	..	..
Hungary										
Iron ore	..	−607	−632	−788	−998	−1 287	−1 354	−1 118	−1 038	−979
	..	*62*	*67*	*71*	*74*	*75*	*79*	*80*	*80*	*83*
Pig iron	..	−105	−166	−162	−172	−196	−106	−99	..	−80
	..	*19*	*24*	*21*	*19*	*19*	*11*	*12*	..	*13*
Rolled steel	..	−28	−39	−48	−13	+2	+34	+42	+42	−16
	..	*5*	*6*	*6*	*2*	*0*	*4*	*5*	*5*	*2*
Poland										
Iron ore	−1 494	−1 918	−2 170	−2 625	−3 097	−4 105	−4 407	−4 776	..	−4 426
	..	..	..	..	*70*	*72*	*70*	*71*	..	80
Rolled steel	..	..	..	..	..	..	+96	+283	..	..
	..	..	..	..	..	..	*3*	*8*	..	..
Rumania										
Iron ore	..	..	..	..	..	..	..	−561	..	−481
	..	..	..	..	..	..	..	*45*	..	50
Soviet Union										
Iron ore	..	..	..	..	..	..	+8 818	+9 124	..	..
	..	..	..	..	..	..	*12.3*	*11.7*	..	..
Pig iron	..	..	..	..	..	..	+566	+861	..	..
	..	..	..	..	..	..	*1.7*	*2.4*	..	..
Rolled steel	..	..	..	..	..	..	+1 425	+1 233	..	..
	..	..	..	..	..	..	*4.1*	*3.2*	..	..

Sources : Statistical yearbooks and monthly statistical bulletins; *Postavení ČSR, op. cit.* direct communications by the Governments of Poland, Czechoslovakia, eastern Germany, Rumania and the Soviet Union; *Commodity Trade Statistics* (United Nations) and national foreign trade statistics of overseas exporting countries; *Handel Zagraniczny*, 5, 1956, and Annex Table VI-F.

NOTE. — Iron ore ton for ton without accounting for differences in pure Fe content.

[a] January-December.

TABLE VI-F

Production and apparent consumption of steel and steel-making materials in eastern Europe and the Soviet Union

Thousands of tons

A = Production B = Apparent consumption

			1948	1950	1951	1952	1953	1954	1955	1956	1957
Bulgaria	Iron ore	A	19	49	78	103	115	118	113	236	..
		B	15	..	..	26	15	13	—7	80	..
	Pig iron	A	1	3	5	8	5	6	7	9	..
		B	19	..	..	37	45	73	77	130	..
	Crude steel . .	A	—	—	—	—	13	62	74	129	..
	Rolled steel . .	A	3	6	10	11	13	30	74	99	..
		B	111	..	..	145	180	192	216	266	..
Czecho-slovakia	Iron ore	A	1 051	..	..	2 100	1 727	1 677	1 986	2 135	..
		B	2 875	..	..	5 086	4 765	5 383	5 909	6 038	..
	Pig iron	A	1 645	..	..	2 300	2 781	2 790	2 982	3 282	3 600
	Crude steel . .	A	2 621	..	..	..	4 366	4 270	4 474	4 882	5 200
	Rolled steel . .	A	1 776	..	..	..	2 733	2 751	2 985	3 278	3 500
Eastern Germany	Iron ore	A	274	401	487	772	1 359	1 470	1 664	1 608	..
		B	..	406	632	1 170	1 981	2 282	2 901	2 883	..
	Pig iron	A	182	337	342	700	1 078	1 318	1 517	1 574	1 663
		B	..	..	615	967	1 283	1 561	1 811	1 918	..
	Crude steel . .	A	305	999	1 552	1 886	2 163	2 331	2 508	2 740	..
	Rolled steel . .	A	..	781	1 113	1 331	1 514	1 711	1 907	2 035	2 147
		B	..	1 122	1 404	1 620	2 035	2 324	2 554	2 813	3 070
Hungary	Iron ore	A	272	369	311	316	354	428	353	288	289
		B	..	976	943	1 104	1 357	1 716	1 707	1 406	1 454
	Pig iron	A	384	461	527	620	716	843	868	759	768
		B	..	566	693	782	888	1 039	974	878	877
	Crude steel . .	A	770	1 048	1 290	1 459	1 543	1 491	1 629	1 425	1 375
	Rolled steel . .	A	..	508	662	792	844	819	883	791	893
		B	..	536	701	840	857	817	849	749	932
Poland	Iron ore	A	..	..	..	1 020	1 309	1 575	1 856	1 973	..
		B	..	..	..	..	4 406	5 680	6 263	6 749	..
	Pig iron	A	..	..	..	1 800	2 359	2 663	3 112	3 506	3 682
	Crude steel . .	A	..	..	..	..	3 604	3 949	4 426	5 014	..
	Rolled steel . .	A	..	..	..	..	2 558	2 723	3 038	3 456	3 580
		B	..	..	..	..	..	..	2 942	3 173	..
Rumania	Iron ore	A	..	..	..	600	695	695	637	694	..
		B	..	..	..	..	..	..	920	1 166	..
	Pig iron	A	..	..	..	390	456	432	570	583	..
	Crude steel . .	A	353	555	..	..	..	..	766	779	..
	Rolled steel . .	A	315	459	..	..	..	..	565	595	..
Soviet Union	Iron ore	A	..	39 700	..	..	..	64 300	71 900	78 100	..
		B	..	..	..	..	..	..	63 082	68 976	..
	Pig iron	A	..	19 200	..	..	..	30 000	33 300	35 800	..
		B	..	..	..	..	..	..	32 734	34 939	..
	Crude steel . .	A	..	27 000	..	..	..	..	45 000	49 000	..
	Rolled steel . .	A	..	21 000	..	..	..	..	35 000	38 000	..
		B	..	..	..	..	..	..	33 600	36 800	..

Sources : Statistical yearbooks and monthly statistical bulletins; *Quarterly Bulletin of Steel Statistics for Europe* (production); and sources of Table VI-E.

NOTE. — Iron ore ton for ton without accounting for differences in pure Fe content.

TABLE VI-G

Exports (+) or imports (−) of sawn wood in eastern Europe and the Soviet Union

Quantities and (in italics) net exports as a percentage of production or net imports as a percentage of apparent consumption

Country	Direction of trade	Sawn softwood (Thousand standards)					Sawn hardwood (Thousand cubic metres)				
		1948	1950	1952	1955	1956	1948	1950	1952	1955	1956
Bulgaria . .	Eastern trade area . . .	—	—	—	—	—	+3	+8	+4	+10	+19
	Western Europe	+0	+2	+1	—	+0	—	+0	+2	+2	+4
	Eastern trade area . . .	—	—	—	—	—	—	—	—	—	—
	Western Europe	—	—	—	—	—	—	—	—	−5	−7
	Total	+0	+2	+1	—	+0	+3	+8	+6	+7	+16
		+0	*+2*	*+1*	*+0*	*+0*	*+1*	*+2*	*+2*	*+1*	*+3*
Czecho-slovakia .	Eastern trade area . .	+77	+44	+82	+47	+24	*+18*	—	—	—	—
	Western Europe . . .		+49	+55	+72	+67		+11	+5	+6	+6
	Eastern trade area . . .	—	−29	−13	−9	−5	−9	—	−2	−22	−12
	Western Europe	—	−0	—	−11	−24		−0	−0	−1	−3
	Total	+77	+64	+124	+99	+62	+9	+11	+3	−17	−9
		+13	*+9*	*+13*	*+11*	*+7*	*+4*	*+3*	*+1*	*−4*	*−2*
Eastern Germany .	Western Europe	+44	+1	+0	+0	—	+73	—	—	—	—
	Eastern trade area . . .	—	—	−9	−9	−24	..	..	−20	−32	−70
	Western Europe	—	—	−2	−17	−21	—	—	−4	−7	−10
	Total	+44	+1	−11	−26	−45	+73	..	−24	−39	−80
		+5	*+0*	*−2*	*−3*	*−7*	*+2*	..	*−5*	*−9*	*−17*
Hungary . .	Western Europe	0	—	—	—	0	+15	+2	+2	+0	+0
	Eastern trade area . . .	−4	−112	−114	−90	−67	−0	−18	−7	−14	−14
	Western Europe	−37	−17	−6	−22	−31	—	−3	—	−0	−0
	Total	−41	−129	−120	−112	−98	+15	−19	−5	−14	−14
		−67	*−88*	*−89*	*−90*	*−89*	*+21*	*−18*	*−3*	*−10*	*−11*
Poland . . .	Eastern trade area . .	*+37*	..	+10	+12	+5	..	..	+3	—	—
	Western Europe . . .		+56	+24	+76	+74	+1	+4	+6	+11	+11
	Eastern trade area . . .	..	..	..	—	—	−12	..	..	−3	−2
	Western Europe	−6	−14	—	—	−0		−2	—	−1	−1
	Total	+31	+42	+34	+88	+79	−11	+2	+9	+7	+8
		+4	*+5*	*+3*	*+7*	*+6*	*−4*	*+1*	*+2*	*+1*	*+1*
Rumania . .	Eastern trade area . . .	+43	+257	+225	+114	+69	+23	+89	+114	+122	+178
	Western Europe	+12	+18	+13	+84	+52	+16	+1	+8	+54	+28
	Total	+55	+275	+238	+198	+121	+39	+90	+122	+176	+206
		+13	*+40*	*+35*	*+36*	*+21*	*+19*	*+29*	*+25*	*+26*	*+28*
Total of six eastern European countries .	Eastern trade area . . .	..	+160[a]	+181[a]	+65	+2	..	+79[a]	+92[a]	+61	+99
	Western Europe	..	+95	+85	+182	+117	..	+13	+19	+59	+28
	Total	+166[a]	+255[a]	+266[a]	+247	+119	+128	+92[a]	+111[a]	+120	+127
Soviet Union	Eastern trade area . . .	..	..	..	+105	..	..	..	..	+2	..
	Western Europe	+55	+182	+129	+393	+370	+8	+0	—	+8	+37
	Eastern trade area . . .	..	..	..	−51	..	..	..	..	−74	..
	Western Europe	−96	−18	−122	−53	−51	—	—	—	—	−4
	Total	..	..	..	+394	..	..	..	..	−66	..
					+3					*−1*	

Sources : As for Table VI-H.

[a] Information on some countries may be incomplete.

TABLE VI-H

Production and apparent consumption of wood and wood products in eastern Europe and the Soviet Union

A = Production A = Apparent consumption

Country	Year	Sawn softwood		Sawn hardwood		Plywood		Wood pulp		All paper and paperboard	
		Thousand standards		Thousand cubic metres		Thousand cubic metres		Thousand tons		Thousand tons	
		A	B	A	B	A	B	A	B	A	B
Bulgaria	1948	89 *	89 *	278 *	275 *	2	2	2 *	18 *	25	42
	1950	111 *	109 *	344 *	336 *	4	(−2)	8 *	21 *	30	40
	1952	132	131	335	329	7	(−2)	8 *	25 *	35	46
	1955	103	103	563	556	13	5	25	42	52	68
	1956	85	85	517	501	14	7	25	45	54	75
Czechoslovakia . . .	1948	615	538	257	248	71	69	304	266	334	307
	1950	742	678	325	314	99	88	352	323	381	276
	1952	945	821	421	418	132	123	362	338	411	327
	1955	877	778	407	424	133	118	396	391	468	372
	1956	853	791	452	461	147	134	410	400	488	411
Eastern Germany . .	1948	840 *	796	460 *	387	10 *	10 *	300 *	. .	435	. .
	1950	751	750	424	. .	10	10	437	442	492	463
	1952	630	641	487	511	16	17	501	512	584	607
	1955	613	639	406	445	20	29	566	581	641	613
	1956	591	636	391	471	20	32	578	604	671	635
Hungary	1948	20 *	61	70 *	55	15	14	20	. .	56	59
	1950	18	147	87	106	27	27	36	64	83	94
	1952	15	135	164	169	29	29	40	72	97	105
	1955	13	125	120	134	28	37	33	70	106	125
	1956	12	110	119	133	25	31	25	59	88	104
Poland	1948	769 *	738	236 *	247	32	. .	227	283	290	290 *
	1950	898	856	311	309	69	. .	251	291	348	351
	1952	982	948	444	435	130	. .	313	351	421	422
	1955	1 346	1 258	616	609	155	162	366	415	487	484
	1956	1 320	1 241	596	588	162	174	379	426	515	507
Rumania	1948	421	366	209	170	8	7	60 *	60 *	78	76
	1950	696	421	306	216	21	18	85 *	85 *	106	94
	1952	683	445	497	375	33	25	95 *	97 *	124	124
	1955	546	348	657	491	48	37	105 *	106 *	139	133
	1956	583	462	724	518	53	43	110 *	111 *	144	144
Total of six eastern European countries	1948	2 754	2 588	1 510	1 382	139	. .	913	. .	1 218	. .
	1950	3 216	2 961	1 797	. .	230	. .	1 169	1 226	1 440	1 318
	1952	3 387	3 121	2 348	2 237	347	. .	1 319	1 395	1 672	1 631
	1955	3 498	3 251	2 779	2 659	397	388	1 491	1 605	1 893	1 795
	1956	3 444	3 325	2 799	2 672	421	421	1 527	1 646	1 960	1 876
Soviet Union	1948	5 950 *	. .	4 900 *	. .	435	445	987	. .	960	. .
	1950	9 010 *	. .	7 400 *	. .	658	602	1 536	1 509	1 485	1 481
	1952	11 000 *	. .	9 080 *	. .	883	820	1 959	1 969	1 845	1 870
	1955	13 750 *	13 356	11 340 *	11 406	1 049	971	2 460	2 408	2 406	2 444
	1956	13 680 *	. .	11 280 *	. .	1 122	1 081	2 610	. .	2 579	. .

Sources : Materials prepared by the ECE/FAO Timber Division on the basis of national statistical yearbooks and periodical statistical publications, and information supplied by Governments to the ECE Timber Committee.

TABLE VI-I

Exports of machinery and equipment from Czechoslovakia and eastern Germany by major commodity groups

	Percentage of total exports of machinery and equipment [a]		Millions of current dollars					
	1950 or 1951 [b]	1955	1950	1951	1952	1953	1954	1955
Czechoslovakia								
Industrial machinery and equipment	48	40	..	113	142	207	184	206
Complete factory sets	21	39	..	51	76	111	128	197
Tractors and farm machinery	7	6	..	16	23	31	21	33
Locomotives and wagons	10	1	..	24	25	6	9	5
Motor vehicles	14	14	..	34	29	67	50	70
Total of machinery and equipment	100	100	206	237	294	421	387	511
Metal-made consumers' goods	..	3	..	..	12	..	..	17
Eastern Germany								
Electrotechnical products	17	12	21	90	87	122	128	92
Heavy machinery	17	24	21	63	74	193	230	177
General machinery	36	19	45	98	123	180	175	146
Precision and optical instruments	21	10	27	49	54	64	76	78
Transport equipment	9	26	11	23	21	37	173	197
Other and unspecified	—	9	—	10	—	—	—	70
Total of machinery and equipment	100	100	125	333	359	596	784	760
Metal-made consumers' goods [c]	4	2	5	6	9	10	13	12

Sources: *Les constructions mécaniques tchécoslovaques et leurs tâches* by R. Platzer, Prague, 1957, p. 12 (as quoted in *Economie et politique*, No. 39, 1957, p. 60) and Appendix Table XXXIII; and *Statistisches Jahrbuch der Deutschen Demokratischen Republik*, 1955, pp. 243, 244.

NOTE. — In eastern Germany, the heavy machinery group comprises such items as power plant equipment, machine tools, conveyors, steel constructions; the general machinery group, mining equipment, machinery for metal-using industries (other than tools), construction machinery, equipment for light and food industry, agricultural machinery.

[a] Excluding metal-made consumers' goods.

[b] 1951 for Czechoslovakia and 1950 for eastern Germany.

[c] Consumers' hardware only.

TABLE VI-J

Exports of industrial and agricultural machinery from Czechoslovakia and eastern Germany by main types of product

Millions of current dollars

	Czechoslovakia						Eastern Germany					
	1948	1952	1955	1956	1956 Jan. to	1957 Sept.	1950	1953	1955	1956	1956 Jan. to	1957 Sept.
Energy and electrotechnical equipment	18.2	30.4	32.6	28.9	17.2	28.2	20.8	121.7	92.0	..	..	..
Metal-cutting machine tools	..	..	14.9	19.0	14.1	15.6	..	38.4	22.5	35.2	20.6	23.7
Non-cutting tools							..	3.7	21.5	28.6	20.1	19.4
Mining, mineral oil drilling and metallurgical equipment	0.6	0.6	0.7	1.1	0.2	0.6	..	13.5	34.0	37.9	26.0	24.4
Chemical equipment	2.3	3.7	3.5	3.1	1.8	0.8	..	28.9	19.8	12.8	7.0	9.6
Cement-making plant	..	..	..	..	..	..	..	..	28.1	32.8	7.5	31.5
Building and civil engineering equipment	..	14.4	8.5	6.6	4.8	3.8	..	5.3	3.2	3.6	2.0	3.7
Textile machinery	3.2	5.8	6.1	3.9	2.9	3.4	..	14.0	21.8	26.4	17.1	20.3
Food-processing machinery	3.6	1.5	1.6	1.9	1.3	2.4	0.1	17.2	22.3	19.4	13.1	12.9
Spare parts for light industry	..	..	..	..	..	..	..	0.8	1.1	1.5	0.4	1.9
Instruments, testing machinery, laboratory and medical equipment, tools, etc.	..	13.3	10.3	10.5	7.9	9.6	26.5	64.0	78.3	..	..	..
Tractors and farm machinery	..	22.9	33.2	..	..	..	..	..	..	..	..	..
Total of specified items	..	106 [a]	111	..	..	..	..	308	345	..	..	..
Unspecified items	..	135	325	..	..	..	..	251	266	..	..	..
Total of industrial and agricultural machinery	..	241	436	..	..	..	..	559	611	..	..	..

Sources: Information received from the Czechoslovak and eastern German Governments; Annex Table VI-I and the sources there quoted.

NOTE. — In eastern Germany, only metallurgical equipment is given under "mining, mineral oil drilling and metallurgical equipment", only earth-moving equipment under "building and civil engineering equipment", while the group "instruments, testing machinery, laboratory and medical equipment, tools, etc." shows all exports of the precision and optical instruments industry. Some consumers' goods are included in the group of "energy and electrotechnical equipment" and "instruments, testing machinery, laboratory and medical equipment, tools, etc.".

[a] Including a rough estimate of the total value of machine tools.

TABLE VI-K

Imports and exports of machinery and equipment of Bulgaria, Hungary, Poland and Rumania, by major commodity groups

Millions of current dollars and percentage distribution

	Imports						Exports					
	Percentage distribution		Millions of dollars				Percentage distribution		Millions of dollars			
	1953	1956	1948	1953	1955	1956	1953	1956	1948	1953	1955	1956
Bulgaria												
Electrical equipment	9	16	3.2	7.5	13.8	17.1	..	..	..	..	..	..
Metal-cutting machines	2	1	3.4	1.2	1.0	1.0	..	..	..	..	..	..
Tractors and farm machinery	11	19	3.7	8.4	11.2	20.0	..	10	..	..	0.3	1.2
Road transport equipment	14	10	8.3	11.3	11.2	10.5	..	..	..	..	..	..
Ships and boats	..	..	..	..	..	..	48	54	..	1.9	5.4	6.5
Other items	64	54	14	51	42	56	..	36	..	..	..	4
Total machinery and equipment	100	100	33	79	79	105	100	100	0.1	4*	7	12
Hungary		[a]	[b]					[a]	[b]			
Machine tools	11	3	15.2	10.1	1.8	..	8	6	2.0	13.8	11.1	..
Instruments	16	17	8.1	14.0	10.2	..	7	5	3.7	12.0	9.7	..
Complete factory sets	32	21	—	28.2	12.7	..	..	..	..	..	..	..
Railway equipment	..	..	..	..	..	..	19	23	17.2	33.6	40.3	..
Ships	..	..	..	..	..	..	8	11	—	14.5	19.9	..
Motor vehicles	10	15	10.4	8.4	9.5	..	14	13	0.7	24.4	23.4	..
Other items	31	44	16.3	27.3	26.8	..	45	42	25.4	78.7	74.6	
Total machinery and equipment	100	100	50	88	61	56	100	100	49	177	179	149
Poland	[c]			[c]			[c]			[c]		
Electrical machinery	14	10	..	42.5	39.5	35.0	..	5	..	..	0.8	7.5
Metal-working machinery	..	..	..	..	..	..	5	4	..	5.2	5.1	7.0
Machinery for light industry	..	7	..	..	19.7	22.0	..	..	..	..	..	..
Complete factory sets	32	16	..	94.0	90.8	52.6	..	9	..	..	7.5	13.5
Agricultural machinery	..	5	..	..	15.9	18.0	..	..	..	..	..	..
Railway and road transport equipment	16	..	..	45.2	54.9	..	57	40*	..	54.7	61.6 [d]	.. [d]
Ships and boats	..	..	..	..	..	..	26	25	..	25.2	37.1	37.9
Other items	38	62	..	112	191	211	12	17	..	11	27	..
Total machinery and equipment	100	100	93	294	412	339	100	100	..	96	123	154

Sources: Information received from the Bulgarian and Polish Governments; *Adatok ès adalékok a népgazdaság fejlödésének tanulmányozásahoz, 1949-1955*, Budapest, 1957, pp. 320, 321 and Appendix Table XXXIII.

NOTE. — In Poland, the information for 1955 is expressed in 1956 prices.

[a] 1955. [b] 1949. [c] 1954.

[d] Only railway equipment: $45.6 million in 1955 and $46.9 million in 1956.

TABLE VI-L

Exports of machine tools from Czechoslovakia, eastern Germany and Hungary

Thousands, and percentage shares in output

Country and commodity	1950	1953	1955	1956	1956	1957
					January to September	
Czechoslovakia						
Exports :						
Metal-working machine tools	6.07	5.43	5.49	7.91	5.37	6.58
Production:						
Lathes	3.32	4.01	3.97	4.76	13.19	15.42
Other metal-cutting machine tools	9.59	10.63	14.52	14.26		
Automation equipment and semi-automatic lathes	0.25	0.62	0.28	0.48	0.30	0.57
Non-cutting machine tools	4.96	3.05	5.99	5.65	4.05	5.63
Total of metal-working machine tools	18.12	18.31	24.76	25.15	17.54	21.62
Percentage share of exports in production	33	30	22	31	31	30
Eastern Germany						
Exports :						
Lathes	—	1.24	0.84	1.54	..	..
Milling machines	—	0.96	0.91	1.20	..	..
Drilling machines	—	0.50	0.80	1.21	..	..
Other metal-cutting machine tools	—	0.98	1.28	2.81	..	..
Total of metal-cutting machine tools	..	3.68	3.83	6.76	..	..
Non-cutting machine tools	—	0.51	0.80	1.42	..	..
Percentage share of exports in production :						
Lathes	—	31	15	27	..	..
Milling machines	—	52	55	53	..	..
Drilling machines	—	13	13	19	..	..
Other metal-cutting machine tools	—	10	11	23	..	..
Total metal-cutting tools	—	19	15	25	..	..
Non-cutting machine tools	—	43	47	56	..	..
Hungary						
Exports :						
Lathes	0.41	1.29	0.90	0.88	0.70 [a,b]	0.97 [a,b]
Milling machines	0.16	0.48	0.53	0.58	0.58 [b]	0.67 [b]
Drilling machines	0.16	0.42	0.85	0.62	0.62 [b]	0.91 [b]
Total of metal-cutting machine tools	0.73	2.19	2.28	2.08	1.90 [b]	2.55 [b]
Percentage share of exports in production :						
Lathes	32	65	51	..	43	50
Milling machines	31	55	68	78	78	79
Drilling machines	11	13	34	24	24	33
All listed metal-cutting tools	23	36	45	..	38	46

Sources : *Statistická ročenka Republiky Československé*, 1957, pp. 85 and 204, and information received from the Czechoslovak Government; *Statistisches Jahrbuch*, 1956 (Eastern Germany); *Vierteljahreshefte zur Statistik*, No. 3, 1957; *Magyar statisztikai évkönyv*, 1949-1955, Budapest, pp. 78-79 and 264-265; *Statisztikai havi Közlemények*, No. 12, 1957, pp. 19, 43.

[a] Only turret lathes.

[b] Whole year.

TABLE VI-M

Exports and imports of food in five eastern European countries and the Soviet Union by major commodity groups

Millions of dollars

Country and commodity	1950 [a]	1953	1954	1955	1956	1956	1957
						January to September	
Bulgaria							
Exports :							
Grain	7	29	27	8	7	6	5
Meat and livestock	7	12	12	11	12	..	..
Eggs	7	6	8	9	10	..	..
Fresh and canned vegetables	6	8	9	11	14	..	..
Fresh and canned fruit	19	21	18	14	26	..	..
Tobacco	50	36*	39*	36	47	32	31
Other farm products	16	20	35	28	34	..	..
Total exports	112	132 *	148	117	150 *	95 *	90 *
Total imports	..	2	3	9	4*	3*	18
of which :							
Grain	..	..	..	4	1	1	14
Hungary							
Exports :							
Grain and fodder other than grain	..	25	18	26	..	..	..
Vegetable oils	..	5	9	7	..	..	..
Live animals	..	15	11	17	..	..	..
Meat and other animal products	..	21	32	44	..	..	..
Other farm products	..	55	78	86	..	..	..
Wine	..	4	5	6	..	..	..
Total exports	129	125	153	186	153	..	..
Total imports	11	56	71	94	59	..	..
Poland							
Exports :							
Meat and processed meat	..	..	..	56	64	..	..
Eggs	..	..	..	13	13	..	..
Sugar	..	..	..	42	7	..	..
Other food products	..	..	..	34	31	..	..
Total exports	152	169	157	145	115	..	76
Imports :							
Grain	..	..	..	72	63		
Oilseeds	..	..	..	11	11	..	..
Oils and fats	..	..	..	12	19	..	..
Coffee, tea, cocoa	..	..	..	6	9	..	..
Other food products	..	..	..	15	25	..	..
Total imports	75	52	122	116	127	..	172
Czechoslovakia							
Exports :							
Hops, malt, etc.	..	..	..	27	49	35	25
Sugar, vegetable fats	..	..	..	34	24	16	9
Meat and meat products	..	..	..	3	15	12	6
Fruit and vegetables, coffee, cocoa	..	..	..	7	10	7	6
Other food products	..	..	..	1	5	4	2
Total exports	99	85	82	72	103	74	48
Imports :							
Grain [b] and oil seeds	..	..	..	151	156	120	124
Vegetable fats and beverages	..	..	..	21	16	12	11
Meat and meat products, animal fats and fish	..	..	..	84	66	50	44
Fruit and vegetables	..	..	..	28	30	18	22
Coffee, cocoa, tea and spices	..	..	..	21	19	15	13
Other food products	..	..	..	—	6	4	6
Total imports	161	266	306	305	293	219	220

TABLE VI-M (*concluded*)

Exports and imports of food in five eastern European countries and the Soviet Union by major commodity groups

Millions of dollars

Country and commodity	1950 [a]	1953	1954	1955	1956	1956	1957
						January to September	
Eastern Germany							
Total exports	28	10	44	26	..	..	..
Imports :							
Food of animal origin	73	164	147	116	146	..	..
Food of vegetable origin	68	202	225	251	277	..	..
Tobacco and beverages	7	36	43	56	70	..	..
Total imports	148	402	415	423	493	..	..
Soviet Union							
Exports :							
Grain	331	..	..	361	261	..	..
Meat and milk products, eggs	83	..	..	10	40	..	..
Sugar	18	..	..	28	22	..	..
Total of listed items	432	..	..	399	323	..	..
Imports :							
Meat and milk products, eggs	28	..	..	135	101	..	..
Sugar	55	..	..	101	29	..	..
Fruit and vegetables	15	..	..	49	58	..	..
Total of listed items	98	..	..	285	188	..	..

Sources : Statistical yearbooks; information received from the Bulgarian and Czechoslovak Governments; *Statistische Praxis*, 5/1957, pp. 87-89; *Dostizhenia sovetskoi vlasti za 40 let v tsifrakh*, p. 31.

NOTE. – Current prices, except for Poland, where 1956 prices are used. Index numbers of unit values in 1956 (1955 = 100) were 102 for food exports and 96 for food imports.

[a] 1952 for Bulgaria.

[b] Including rice and pulses.

TABLE VI-N. — Production and net trade in grain and meat of eastern Europe and the Soviet Union

Quantities in thousands of tons, unless otherwise specified

A — Production ; B — Net exports (+), or net imports (−)

Country and commodity		1950	1951	1952	1953	1954	1955	1956	1957 Jan.-Sept.
Bulgaria									
Bread grain	A	2 015	2 812	2 303	2 578	1 802	2 094	1 850	2 452
	B	..	..	+42	+272	+310	−2	+9	−164
Coarse grain	A	1 101	2 008	1 091	1 661	1 482	1 984	1 533	2 118
	B	..	..	+30	+30	+30	+41	+84	+59
Meat	A	..	302	313	352	387	356	400	..
	B	..	..	+13	+19	+20	+19	+20	+7
Live animals (thousand head)	B	..	..	..	+15	+12	+15	+15	..
Czechoslovakia									
Bread grain	A	2 577	2 491	2 503	2 510	1 910	2 441	2 591	2 486
	B	..	..	..	−809	−819	−700	−912	..
Coarse grain	A	2 143	2 374	2 276	2 546	2 363	2 656	2 827	2 732
	B	..	..	..	−237	−419	−653	−450	..
Meat	A	..	665	742	699	691	768	858	900
	B	..	..	..	−41	−68	−51	−34	..
Live animals (thousand head)	B	..	..	..	−9	−10	−5	−9	..
Eastern Germany									
Bread grain	A	..	..	..	3 444	3 475	3 548	3 385	3 490
	B	−182	−364	−377	−413	−888	−693	−984	−994
Coarse grain	A	..	..	..	2 255	1 881	2 295	1 950	1 896
	B	−302	−400	−421	−600	−259	−593	−589	−544
Meat	A	..	845	1 094	1 177	1 125	1 169	1 162	..
	B	−75	−62	−45	−54	−102	−89	−96	−75
Hungary									
Bread grain	A	2 854	3 141	2 242	2 743	1 240	2 675	2 339	2 446
	B	+370	+350	+236	+152	−146	−197	−147	..
Coarse grain	A	2 576	3 744	1 873	3 523	3 287	3 882	2 855	4 515
	B	+8	−43	+25	+115	+10	+21	+92	..
Meat	A	..	258	344	329	331	384	426	434
	B	+24	+3	+9	+16	+14	+19	+17	..
Live animals (thousand head)	B	+305	+125	+209	+206	+148	+213	+289	..
Poland									
Bread grain	A	8 376	8 010	8 186	6 722	7 846	9 137	8 674	9 524
	B	..	..	..	−1 232	−1 060	−1 071	−1 047	−1 403
Coarse grain	A	3 208	2 991	3 524	3 303	3 158	3 526	3 390	4 054
	B	..	..	..	+23	+26	+11	−109	..
Meat	A	..	1 057	990	1 029	1 093	1 213	1 364	..
	B	..	..	..	+88	+74	+73	+88	+65
Rumania									
Bread grain	A	2 401	3 750	3 186	4 226	2 310	3 220	2 572	4 269
	B	..	..	..	—	−5	+92	−440 [a]	..
Coarse grain	A	2 709	4 015	3 467	4 331	5 696	6 696	4 528	7 166
	B	..	..	..	+300*	+641	+446	+500*	..
Meat	A	..	700	725	684	761	886	818	..
	B	..	..	..	..	..	+54	..	..
Total eastern Europe									
Bread grain[b]	B	..	..	..	22 223	19 483	23 115	21 411	24 667
	B	..	..	..	−2 030	−2 608	−2 571	−3 571	..
Coarse grain	A	..	..	..	17 619	17 867	21 039	17 083	22 481
	B	..	..	..	−599	+29	−727	−453	..
Soviet Union									
Grain[b]	A	..	..	..	35 800	..	42 000*	61 200	42 200
	B	..	..	..	+3 890	+3 295	+2 240	+6 617	+3 300 [c]
Meat	A	..	4 671	5 170	5 822	6 281	6 322	6 601	..
	B	..	..	..	..	..	..	−61	..
Live animals (thousand head)	B	..	..	..	..	..	..	−2 470 [d]	..

Sources : Statistical bulletins and direct communications from governments.

[a] Imports from the Soviet Union only.

[b] Commercial production.

[c] Exports contracted by end of 1957.

[d] Of which 2,286,000 sheep and goats and 184,000 cattle.

NOTE. — Calendar years; agricultural years (July-June) for trade of Czechoslovakia, Poland (grain), Rumania and the Soviet Union.

For Hungary, grain trade figures include flour in grain equivalent. Meat figures are given in live weight terms (except for Poland and the Soviet Union, where they are carcass weight) for production, and in carcass weight for trade. Eastern German and Polish trade figures for meat include meat products.

TABLE VI-O

Trade in grain of eastern Europe and the Soviet Union

Thousands of tons

Importing countries	Year	Exporting countries				Total imports
		Eastern European countries	Soviet Union	Western Europe	Overseas [a]	
Czechoslovakia	1953	171 *	950 *	—	—	1121
	1954	170 *	876 *	43	221	1310
	1955	200 *	799 *	43	330	1372
	1956	150	1120 [b]	43	253	1566
	1956 January to	..	..	..	..	1285
	1957 September	..	..	..	..	1136
Eastern Germany	1953	81	933	—	—	1014
	1954	125	1072	—	—	1197
	1955	211	1137	—	—	1348
	1956	198	1422	65	—	1685
	1956 January to	..	..	..	..	1418
	1957 September	..	..	..	..	1538
Hungary	1953	74	97 [c]	4	40	215
	1954	111	89 [c]	258	62	520
	1955	27	88 [c]	520	—	635
	1956	30 *	149 *	177 [b]	—	356
	1956 January to	..	..	..	..	..
	1957 September	..	..	..	..	292 [d]
Poland	1953	92	978	54	123	1247
	1954	85	295	276	415	1071
	1955	107	27	602	379	1115
	1956	9	966	26	168	1169
	1956 January to	..	..	..	..	..
	1957 September	..	1039	..	258	1403
Total eastern European countries listed	1953	418	2958	58	163	3597
	1954	491	2332	577	698	4098
	1955	545	2051	1165	709	4470
	1956	387	3657	311	421	4776
	1956 January to	..	..	..	..	..
	1957 September	..	..	..	..	4369
Western European imports from eastern Europe and the Soviet Union	1953	416	1017			1433
	1954	494	879			1373
	1955	495	624			1119
	1956	536	1238			1774
Total exports to listed importing countries	1953	834	3975	58	163	5030
	1954	985	3211	577	698	5471
	1955	1040	2675	1165	709	5589
	1956	923	4895	311	421	6550

Sources: As in Table VI-N; and foreign trade statistics of western European countries.

NOTE. — Calendar years. For Czechoslovakia and Poland, agricultural years (July-June).

For Hungary, flour (in grain equivalent) is included.

[a] Including China.

[b] Trading partner's statistics.

[c] By difference.

[d] Only wheat and wheat flour in grain equivalent.

TABLE VI-P. — Exports of main agricultural products of Bulgaria, Hungary and Poland, by area of destination

Thousands of tons, unless otherwise specified

Exporting country and commodity		Area of destination						Total exports
		Czecho-slovakia	Eastern Germany	Soviet Union	Western Europe	United States	Other and unspecified	
Bulgaria								
Meat	1952	3	..	9	..	—	1	13
	1953	4	..	12	..	—	3	19
	1954	3	..	10	..	—	7	20
	1955	3	..	12	..	—	4	19
	1956	3	..	11	..	—	6	20
	1957 *a*	..	..	..	..	—	..	7
Eggs (millions)	1952	10	20	65	82	—	10	187
	1953	9	20	70	71	—	9	179
	1954	15	22	91	89	—	12	229
	1955	15	29	100	74	—	37	255
	1956	25	26	103	102	—	26	282
Fresh vegetables (including tomatoes)	1952	22	13	—	14	—	2	51
	1953	13	33	—	24	—	3	73
	1954	26	22	—	27	—	11	86
	1955	18	43	5	21	—	3	90
	1956	30	41	—	29	—	12	112
Fruit (including grapes and berries), fresh and tinned	1952	35	34	54	18	—	7	148
	1953	28	56	50	23	—	9	166
	1954	25	29	49	16	—	7	126
	1955	22	24	29	6	—	6	87
	1956	43	39	66	15	—	21	184
Oriental tobacco	1952	4	1	35	—	—	6	46
	1953	1	2	26	—	—	3	32
	1954	2	1	28	1	—	3	35
	1955	2	3	16	3	—	3	27
	1956	2	3	30	3	—	8	46
	1957 *a*	..	..	..	..	—	..	30 *
Hungary								
Meat (including poultry)	1950	4	23	—	5	—	—	32
	1951	2	5	..	1	..	1	9
	1952	5	9	..	3	..	2	19
	1953	6	6	..	8	..	1	21
	1954	8	12	..	10	..	2	32
	1955	8	11	..	17	..	4	40
	1956	..	..	..	..	..	..	28
	1957 *a*	..	..	..	..	..	..	9
Live pigs (Thousand head)	1950	33	—	51	168	—	—	252
	1951	15	—	38	36	—	3	92
	1952	26	—	112	19	—	12	169
	1953	54	6	79	40	—	—	179
	1954	9	1	34	99	—	12	155
	1955	7	8	54	105	—	5	179
	1956	..	..	..	..	—	..	227
	1957 *a*	..	..	..	..	—	..	93
Fruit (including grapes)	1950	9	7	—	8	—	—	24
	1951	13	7	..	4	—	1	25
	1952	15	8	—	3	—	—	26
	1953	14	10	—	5	—	—	29
	1954	17	7	—	5	—	—	29
	1955	43	11	..	10	—	6	70
Poland								
Meat and meat products	1953	..	4	—	63	7	14	88
	1954	—	2	16	46	10	—	74
	1955	..	—	6	45	13	9	73
	1956	—	—	4	68	12	4	88
	1957 *a*	..	..	..	43	9	..	65
Eggs (millions)	1953	..	49	..	296	—	..	409
	1954	..	45	..	226	—	..	303
	1955	..	16	..	312	—	..	344
	1956	..	10	..	309	—	..	343
	1957 *a*	..	..	..	332	—	..	360
Sugar	1953	—	—	220	50	—	127	397
	1954	—	—	212	145	—	183	540
	1955	—	—	215	30	—	127	372
	1956	—	—	24	18	—	19	61
	1957 *a*	—	—		1	—	—	1

Sources : Statistical yearbooks and bulletins; information received from the Bulgarian Government; *Statistical Bulletin of the International Sugar Council.*

a January to September.

TABLE VI-Q

Changes in unit values of certain exports of fuels and raw materials from the Soviet Union and in price quotations on major international markets

	Unit value in 1953 (dollars per ton)	1948	1950	1951	1952	1953	1954	1955	1956	1957
		Index numbers 1953 = 100								
Coal exports :										
From United Kingdom	11.54	127	84	83	108	100	98	98	117	..
From the Soviet Union										
To Finland	24.70	99	—	106	101	100	94	87	..	..
Crude petroleum :										
Imports into the United Kingdom	24.10	..	84	146	115	100	85	87	99	112 [a]
Exports from the Soviet Union										
To Hungary	17.50	..	..	109	101	100	101	100	..	..
Pig iron exports :										
From Belgium	58.80	93	67	116	134	100	91	99	111	120 [b]
From the Soviet Union										
To Hungary	51.60	..	102	98	101	100	99	103	..	..
To Bulgaria	54.10	127	..	..	99	100	93	95	93	..
Steel billet exports :										
From western Germany	95.50	59	57	70	96	100	96	98	100	105 [a]
From the Soviet Union										
To Finland	88.10	93	—	86	107	100	87	81	..	..
To Hungary	76.50	..	97	86	115	100	91	94	..	..
Steel plate exports :										
From the United Kingdom	130.10	43	50	75	100	100	78	86	110	122 [a]
From the Soviet Union										
To Finland	164.90	85	59	81	107	100	81	71	..	..
Lead										
Imports into the United Kingdom	251.00	152	116	178	150	100	106	116	127	112 [a]
Exports from the Soviet Union										
To Hungary	427.80	..	73	81	104	100	97	83	..	..
Synthetic rubber exports :										
From the United States	507.00	82	83	109	102	100	100	100	104	104 [c]
From the Soviet Union										
To Hungary	565.30	—	79	70	98	100	97	97	..	..
Raw cotton :										
Imports to the United Kingdom	798.00	..	..	127	119	100	104	103	81	79 [d]
Exports from the Soviet Union										
To Finland	903.20	—	—	—	—	100	95	96	..	..
To Hungary	985.60	..	78	105	101	100	94	94	..	..
To Bulgaria	965.30	84	..	..	110	100	99	99	98	..

Sources and definitions : See Appendix B.

[a] Third quarter.

[b] Second quarter.

[c] First nine months.

[d] First six months.

TABLE VI-R

Credit arrangements of eastern European countries from 1947 to 1957

Creditor	Date	Amount of loan in millions of roubles	Specified purpose	Period of utilization	Period of repayment	Rate of interest and other stipulations
			A. Credits to eastern European countries			
I. *Credits to Albania*						
1. Bulgaria	Apr. 1949	39.7	Purchase of manufactured products, foodstuffs, etc.			
	1952		Purchase of industrial equipment and other commodities			
	Oct. 1954		Purchase of capital goods			
	1956	4.1	Purchase of equipment and other commodities			
	Jan. 1957	Not known	For economic development	1957–1960		
2. Eastern Germany	Mar. 1951	50	Purchase of capital equipment	1951–1955	1956–1965	2 per cent
	Jan. 1953	1.5	Purchase of commodities	1953	1960–1965	2 per cent
	Nov. 1954	10	Purchase of commodities	1954–1955	Not known	2 per cent
	Feb. 1956	5	Purchase of commodities	1956	Not known	2 per cent
	Feb. 1957	4	Purchase of potato-planting machinery	1957	By 1960	2 per cent
	Mar. 1957	17	Purchase of commodities	1957	By 1960	2 per cent
	July 1957	Not known	Purchase of machinery, equipment and raw materials and payment for technical services	1957–1960	..	..
3. Czechoslovakia	1951	Not known	Not known			
4. China	1956	Not known	Purchase of commodities including consumers' goods		Partly long-term	
5. Hungary	Mar. 1949	Not known	Purchase of machinery and equipment			
6. Poland	Jan. 1949	Not known	Purchase in Poland of two ships, three diesel, engines for power plants, oil tanks, coke, sugar, textiles, etc.	1949		
7. Rumania	Dec. 1954	Not known	Not known			
	Dec. 1957	30	Purchase of fuels, construction material, chemicals and some equipment	by 1960		
8. Soviet Union	Sept. 1948	422	Purchase of equipment for a textile factory, a sugar mill, timber-processing industry, etc.	1949–1950		
	Apr. 1949		Purchase of capital equipment and other commodities			
	Feb. 1951		Purchase of capital goods	1951–1955		
	1953		Purchase of capital goods			
	Nov. 1957	160	Purchase of equipment for irrigation of land, modernization of mines, development of petroleum industry, some food-processing factories, etc.	1957–1960		
	1957	31	Purchase of food and other consumers' goods	First half of 1958		
II. *Credits to Bulgaria*						
1. Eastern Germany	Aug. 1955	Not known	Purchase of equipment for a cement and a cellulose factory			
2. Hungary	Mar. 1949	24	Purchase of machinery and equipment			
	Mar. 1949	4	Purchase of consumers' goods			
	1952	6	Purchase of material and technical services for the construction of a bridge across the Danube			
3. Soviet Union	1947	Several million [a]	For covering the trade deficit of that year	1947		
	Aug. 1947	100 [a]	Purchase in the Soviet Union of equipment for one chemical factory, one hydro-power plant, etc.		Ten years	2 per cent
	Aug. 1948	160 [a]	Purchase in the Soviet Union of equipment for one steel mill, one zinc-lead factory, one copper ore processing plant, one cellulose factory; one fodder processing factory; one soda factory, one motor-car assembly plant, one thermo-electric plant, etc.			
	1951	345	Purchase of 1,500 tractors, 550 combines, 550 tractor ploughs, 110 repair workshops, 300 tractor cultivators, 400 inter-row tractor seeding machines, 330 reaper-binders, etc.			Consolidated with foreign currency loan of 1947
	1953		Purchase of material for a bridge across the Danube			
	Feb. 1956	370	Purchase in the Soviet Union of agricultural machinery and equipment for fertilizer factories		Ten years	
	Feb. 1957	200	Purchase of equipment for the expansion of capacities producing lead, zinc, fertilizers and a coke factory			
III. *Credits to Czechoslovakia*						
Soviet Union	1947	122 [a]	Gold loan for covering the deficit in the balance of payments	1948	1949–1950	
	Feb. 1957	Not known	For extension of uranium mines			

[a] Foreign currency.

TABLE VI-R (*continued*)

Credit arrangements of eastern European countries from 1947 to 1957

Creditor	Date	Amount of loan in millions of roubles	Specified purpose	Period of utilization	Period of repayment	Rate of interest and other stipulations
			A. Credits to eastern European countries (*continued*)			
IV. *Credits to Eastern Germany*						
1. Czechoslovakia	1950	Not known	Purchase of footwear in Czechoslovakia		Short-term	
2. Soviet Union	1953	350	Purchase in the Soviet Union of capital goods		1955–1957	2 per cent
	1953	135 [a]	Purchase of equipment and raw materials in the western market		1955–1957	2 per cent
	Jan. 1956	80 [a]	Purchase of commodities	1956	1957	2 per cent
	Jan. 1957	340 [a]	Purchase of commodities	1957	1959–1960	2 per cent
	Sept. 1957	300 [a]	Purchase of commodities	1958	1961–1965	2 per cent
	Sept. 1957	400	Purchase of commodities	1958	1961–1965	2 per cent
V. *Credits to Hungary*						
1. Bulgaria	Jan. 1957	7	Purchase of raw materials		1959–1963	
2. Czechoslovakia	Mar. 1957	75	Purchase of raw materials and consumers' goods			
		25	Financial settlements			Conversion of commodity credits
3. China	Jan. 1957	100	Purchase of commodities			
	Jan. 1957	100 [a]	Purchase of commodities in western market and financial settlements			
4. Poland	Feb. 1957	40	Purchase of coal, coke, chemicals and timber		1959–1962	
5. Eastern Germany	Jan. 1957	60	Purchase of raw materials, machinery and consumers' goods		1961–1965	2 per cent
6. Soviet Union	1954	103	Purchase of capital equipment			
	Oct. 1956	60	Purchase in the Soviet Union of fuels and raw materials — e.g., coke, lead, cotton, artificial fibres		1960–1965	
	Oct. 1956	40 [a]	Purchase of raw materials		1960–1965	
	Mar. 1957	550	Purchase of coal, mineral oil, mining equipment, timber, rubber, bread, grain, fodder production		1961–1971	2 per cent
	Mar. 1957	200 [a]	Purchase of commodities in western market and financial settlements		1961–1971	2 per cent
	Dec. 1957	300	Purchase of equipment for the development of telecommunication equipment and precision instrument industry and the extension of diesel engine and high-voltage electric equipment factories, etc.	1958–1962		2 per cent
VI. *Credits to Poland*						
1. Czechoslovakia	1950–1955 (several credits)	Not known	Purchase of equipment for power stations, coke and cement factories			
	Mar. 1957	110	Purchase of machinery and installations and in order to cover trade deficit			
	May 1957	100	Czechoslovak participation in the development of sulphur production in Poland		1961–1967	
	Oct. 1957	250	Czechoslovak participation in the extension of coal extraction in Poland			
2. Eastern Germany	Apr. 1957	400	Eastern German participation in the expansion of brown-coal production and processing in Poland		Six years after spending	1.5 per cent
3. Soviet Union	Mar. 1947	112 [a]	Gold loan for covering the trade deficit		Ten years	
	Jan. 1948	1,800	Purchase of equipment for a metallurgical plant, power stations, chemical factories, metal-using industries, textile factories, and for building of houses and ports	1948–1956		
	June 1950	400	Purchase of capital equipment		1953–1958	
	Sept. 1956	100 (partly free currency)	Purchase of raw materials in western markets and of copper, rubber, etc., in the Soviet Union		1957–1960	
	Nov. 1956	400	Purchase in the Soviet Union of 1.4 million tons of grain	1957	1961–1962	
	Nov. 1956	700	Purchases in the Soviet Union	1958–1960	1963–1965	
	1957 beginning	100	Purchases in the Soviet Union			
	June 1957	380	Purchase of grain, cotton, etc.			
VII. *Credits to Rumania*						
1. Eastern Germany	July 1956	110	Purchasing of equipment for a cellulose factory and some other commodities	1956–1960	1961–1969	2 per cent

[a] Foreign currency.

Table VI-R (*continued*)

Credit arrangements of eastern European countries from 1947 to 1957

Creditor	Date	Amount of loan in millions of roubles	Specified purpose	Period of utilization	Period of repayment	Rate of interest and other stipulations
			A. Credits to eastern European countries (*continued*)			
VII. *Credits to Rumania* (continued)						
2. Soviet Union	Feb. 1947	120	Purchase of machinery and other equipment needed for economic development	Four years		
	Dec. 1956	270	Purchase of chemical equipment and technical services		Ten years from the date of completion	2 per cent
	1956 end of year	Not known	Purchase of 459,000 tons of wheat and 60,000 tons of coarse grain	1957	1959–1962	2 per cent
			B. Credits to Asian countries in the eastern trade area			
I. *Credits to China*						
1. Soviet Union	Feb. 1950	1,200	Purchase in the Soviet Union of equipment for power plants, steel mills, engineering works, coal and iron-ore mines, rolling stock, rails, etc.	Five years	Ten years	1 per cent
	Oct. 1954	520	Purchase in the Soviet Union of capital goods			
	Oct. 1954	400	Purchase of equipment for 15 industrial enterprises			
	Apr. 1956	2,500	Purchase of equipment for 55 enterprises			
II. *Credits to Mongolia*						
1. Czechoslovakia	Jan. 1957	9	For construction of a leather and shoe factory			
2. Soviet Union	1946–1956 Several credits	900	For economic development			
	May 1957	200	Purchase of equipment in the Soviet Union for agricultural and industrial development	1958–1960		
III. *Aid to North Korea*						
1. Bulgaria	Nov. 1953	20	Deliveries of yarns, textiles, construction material, some equipment			
2. Czechoslovakia	Dec. 1954	113	Construction of motor-car, motor-car spare parts, machine tool producing and cement works and equipment for several power plants	1954–1960		
3. Eastern Germany	Feb. 1955	462	Purchase of machinery and equipment	1955–1964		
4. Hungary	Sept. 1953	Not known	Construction of one chemical and one machine tool factory, and purchase of commodities			
5. Poland	June 1953	Not known	Purchase in Poland of equipment for some factories, rolling stock, reconstruction of three coal shafts, and deliveries of steel, locomotives, construction material, textiles, etc.			
6. Rumania	Dec. 1953	65	Purchase of fishing boats, oil tanks, various wagons, bulldozers, consumers' goods, and some equipment for factories producing bricks, tiles, lime, cement, etc.	1953–1956		
7. Soviet Union	1953	1,000	For reconstruction of economy; equipment for ferrous and non-ferrous metals producing factories, a hydro-electric plant, a chemical factory, a cement mill, some equipment for textile and food-processing factories			
IV. *Aid to North Viet-nam*						
Soviet Union	1956	400	Purchase of consumers' goods and building or expanding of 25 industrial and communal enterprises			
			C. Credits to overseas countries			
I. *Credits to Argentina*						
1. Soviet Union	1953	120 *b*	Purchase of capital goods			
II. *Credits to Afghanistan*						
1. Czechoslovakia	1955	Not known	For economic development			
2. Soviet Union	Jan. 1954	26	Purchase of equipment for the construction of grain elevators, oil storage tanks and asphalt plant		Five years	3 per cent
	Dec. 1955	400	For economic development		Thirty years	2 per cent

b Official statements indicate that this loan has so far remained wholly or partly unutilized.

Table VI-R (*concluded*)

Credit arrangements of eastern European countries from 1947 to 1957

Creditor	Date	Amount of loan in millions of roubles	Specified purpose	Period of utilization	Period of repayment	Rate of interest and other stipulations
			C. Credits to overseas countries (*continued*)			
III. *Credits to Burma*						
1. Soviet Union . .	Jan. 1958	55	Construction of hydro-electric plants, farm machinery and textile factories		¼ in five years and ¾ in twelve years	
IV. *Credits to Egypt*						
1. Czechoslovakia .	1957	224	For economic development		Twelve years	2.5 per cent
2. Soviet Union . .	1957	700	For economic development	1958-1960	1962-1974	2.5 per cent
V. *Credits to India*						
1. Soviet Union . .	Sept. 1956	460	Purchase of equipment for and technical services at the construction of two steel works		Twelve years	2.5 per cent
	Nov. 1957	500	To finance the construction of heavy machinery producing plants, a plant for manufacture of optical glass, a thermal power station, and enterprises for mining and treatment of coal		Twelve years	2.5 per cent
VI. *Credits to Indonesia*						
1. Czechoslovakia .	May 1956	Not known	Purchase of equipment	Five years		
2. Soviet Union . .	Sept. 1956	400	For economic development		Twelve years	
VII. *Credits to Syria*						
1. Soviet Union . .	Sept. 1957	Not known	For economic development			2.5 per cent
			D. Credits to other European countries			
I. *Credits to Finland*						
1. Soviet Union . .	Feb. 1954	40 [a]	Purchase of raw materials in western market and relief to free currency situation	1954		
	Jan. 1955	40 [a]	As above	1955		
	1956	200 [a]	As above (in five yearly instalments)	1956–1960		
II. *Credits to Yugoslavia*						
1. Eastern Germany	Aug. 1956	350 [b]	Contribution to the development of the aluminium industry in Yugoslavia	1958–1962	Twenty years	2 per cent
2. Czechoslovakia .	Feb. 1956	200 [b]	For economic development	By 1960	Ten years	2 per cent
	Feb. 1956	100	Purchase of consumers' goods and some other manufactured products		Ten years	2 per cent
3. Poland	1956	80 [a]	Import of rolling stock, mining equipment, food industry equipment	By 1958	Ten years	2 per cent
4. Soviet Union . .	1955	216	Purchase in the Soviet Union of raw materials	1956–1958	Ten years as from 1959	2 per cent
	1955	120 [a]	For replenishing Yugoslav currency reserves		Ten years	2 per cent
	Jan. 1956	280 [b]	Building of one nitrate and one thermal power plant; reconstruction of three mines		Ten years	2 per cent
	1956	160 [b]	Opening up of a new lignite mine; exploitation of natural gas and crude oil			
	Aug. 1956	350 [b]	Contribution to the development of the aluminium industry	1958–1962	Twenty years	2 per cent

Sources : see Appendix B.

[a] Foreign currency.

[b] Official statements indicate that this loan has so far remained wholly or partly unutilized.

Chapter VII

MANPOWER AND EMPLOYMENT IN EASTERN EUROPE AND THE SOVIET UNION

INTRODUCTION

Chapter 5 of the *Economic Survey of Europe in 1955* was devoted to the study of labour market problems in western Europe; but the almost complete absence of published demographic and employment statistics for eastern Europe and the Soviet Union at that time made impossible any similar analysis for those countries. Today there are still many, and wide, gaps in the data available — particularly for the Soviet Union — and certain statistics of prime importance (e.g., activity rates by sex and age) are completely lacking. But the supply of information has nevertheless markedly improved during the last two years for all countries of the area, and is now sufficient to warrant a preliminary study even though any further data released in the future may modify some of the conclusions that have been drawn.

The transformation of the employment situation which has recently occurred in the area makes the study particularly opportune. The earlier conditions of an ample supply of, and demand for, labour in most countries have given way to a new pattern, with surpluses of labour appearing in some countries and shortages in others. In this new phase of development, in which the need has arisen to adapt plans for future growth to the requirements of the labour market, the study of manpower and employment problems becomes of increasing importance to the framers of economic policies in these countries.

The first two sections of this chapter are devoted to a statistical analysis both of the factors affecting the size of the active population and of the changes in its structure since before the war. Section 3 describes the methods of planning employment and its distribution, and the means for implementing these plans. The current manpower situation and labour market problems are discussed in Section 4.

I. FACTORS AFFECTING THE SUPPLY OF LABOUR

TABLE 1

Total population in eastern Europe and the Soviet Union, 1939 to 1970

Thousands

Country	1939 [a] (Estimates)	1950	1955	1970 (Projections)
	Mid-year figures			
Albania	1 060	1 209	1 382	1 820
Bulgaria	6 650	7 271	7 548	8 514
Czechoslovakia	14 683	12 389	13 093	15 028
Eastern Germany	16 685	18 388	17 944	18 416
Hungary	9 217	9 334	9 805	11 162
Poland	32 107	24 824	27 278	34 905
Rumania	15 833	16 311	17 325	19 600
Total eastern Europe	96 235	89 726	94 375	109 445
Soviet Union	187 700	* 181 400	* 197 600	* 246 900
GRAND TOTAL [b]	283 900	271 100	292 000	356 300

Sources and methods : See Appendix B.

[a] Post-war territory.

[b] Totals for eastern Europe have been rounded to the nearest hundred thousand.

(i) The demographic background

The total population of eastern Europe, on a comparable territory, in 1950 was some 7 million smaller than before the war, and that of the Soviet Union had fallen by some 6 million (see Table 1). The tremendous direct war losses sustained by the populations of eastern Germany, Poland and the Soviet Union, abnormally high levels of civilian mortality, greatly reduced birth-rates and migratory movements all combined to influence not only the total numbers of their populations, but also the sex and age structures (see Chart 1). In the other countries of the area, war disturbances were of much smaller significance for population growth, except in Czechoslovakia, which lost after the war not only about 3 million German expellees, but also the area and population of Sub-Carpathia—the traditional source of seasonal agricultural labour.

After the period of resettlement and reconstruction, the long-term decline in mortality has set in again and, since the birth-rates of the area as a whole have

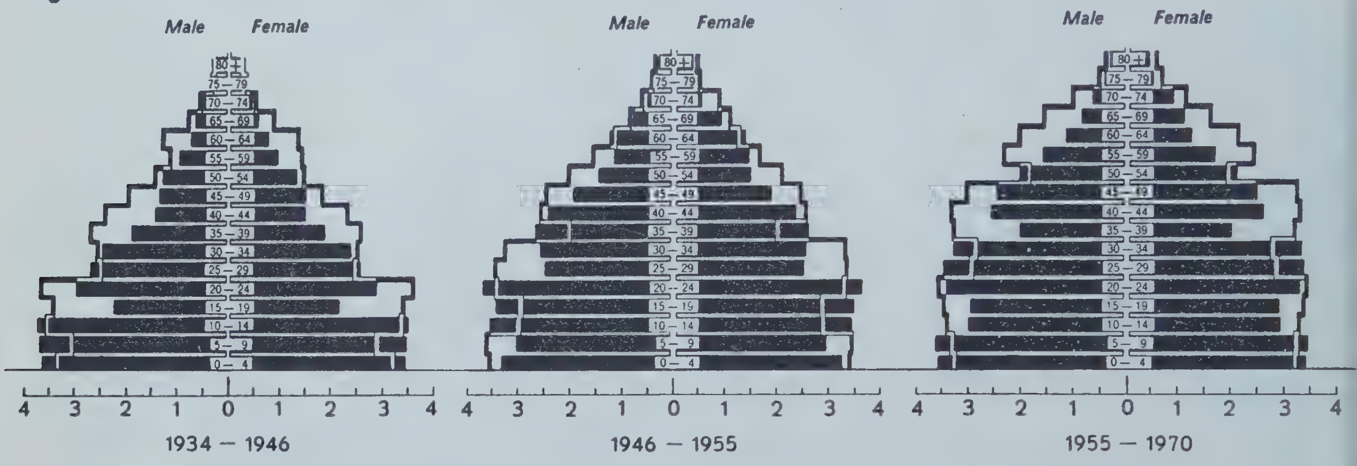
CHART 1

Changes in age and sex structures of selected populations

Absolute numbers in hundreds of thousands

In each pyramid the solid black area refers to the base year, whereas the later year is represented by the area bounded by the black and white line

Bulgaria

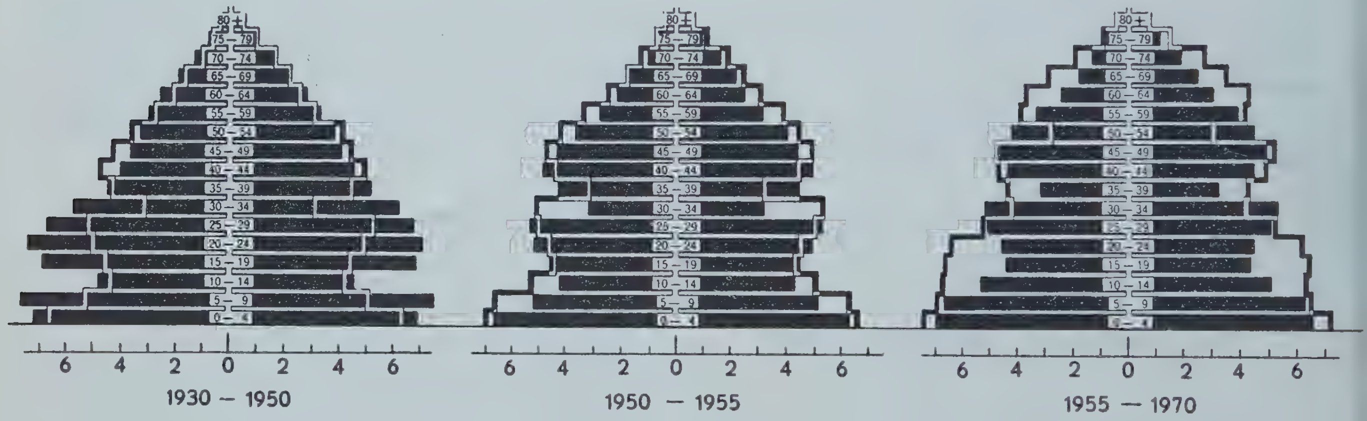


1934 — 1946

1946 — 1955

1955 — 1970

Czechoslovakia

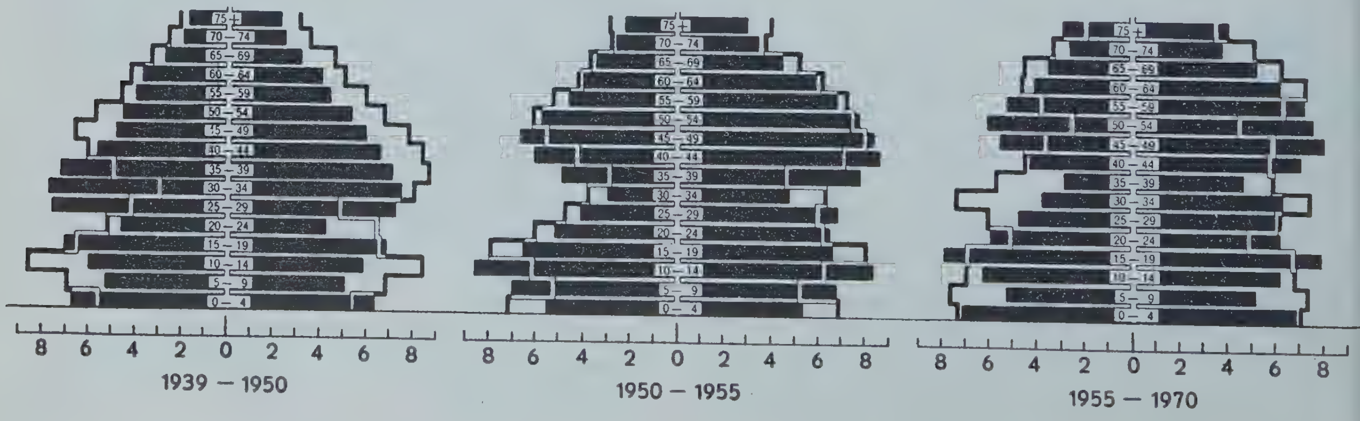


1930 — 1950

1950 — 1955

1955 — 1970

Eastern Germany



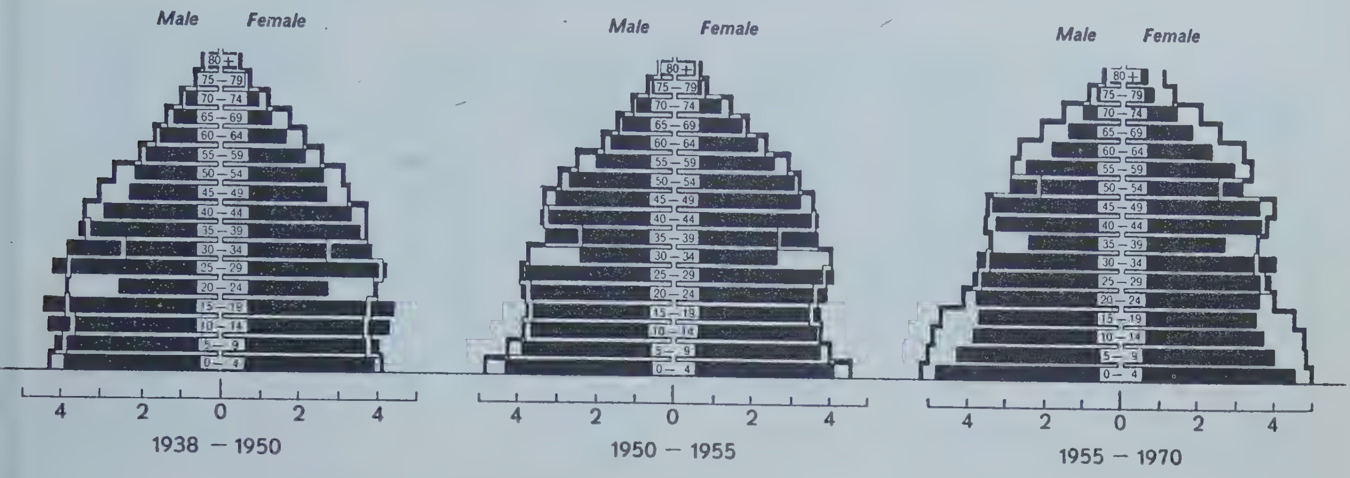
1939 — 1950

1950 — 1955

1955 — 1970

CHART 1 (*continued*)

Hungary

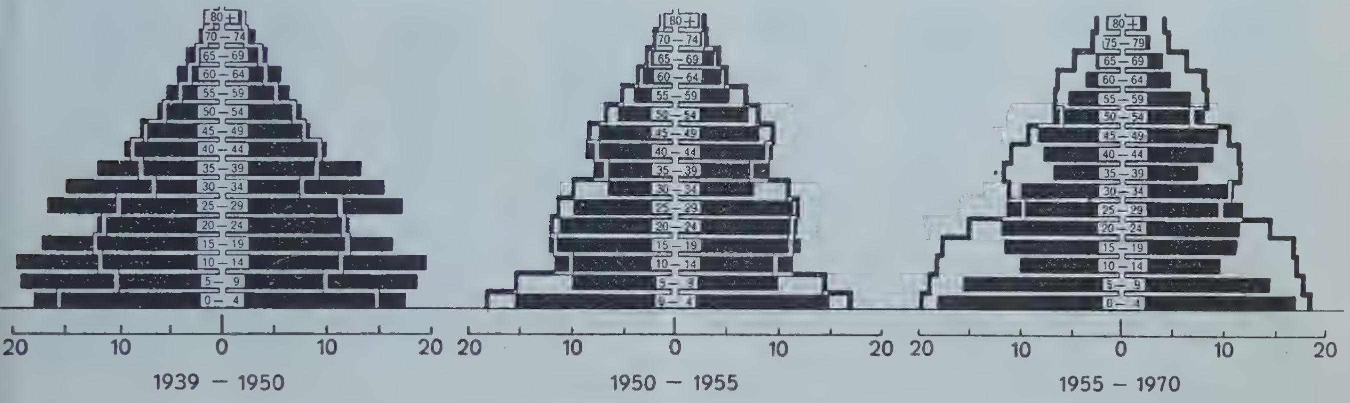


1938 – 1950

1950 – 1955

1955 – 1970

Poland



1939 – 1950

1950 – 1955

1955 – 1970

Sources and methods : See Appendix B.

regained their high pre-war levels, the total population of eastern Europe and the Soviet Union is again growing faster than that of western Europe. According to rough estimates, based largely on the assumption of further declines in mortality and maintenance of the present fertility, the population of eastern Europe will increase by about 22 per cent and that of the Soviet Union by about 36 per cent[1] in the twenty years between 1950 and 1970, whereas that of the 15 member states of OEEC will grow by about 10.5 per cent only.[2]

The economic implications of past and future changes in the age and sex structures of the populations of eastern Europe and the Soviet Union, including the impact on future labour supplies of past fluctuations in the annual numbers of births, are the subject of this sub-section.

Changes since before the War in the Relative Size and Composition of the Population of Working Age

Contrary to what might have been expected, the relation between the population of working age and the total population has been somewhat more favourable after than before the war in all countries of the region except eastern Germany and Czechoslovakia

---

[1] This on the assumption that the current rate of growth of 1.7 per cent per annum will be maintained until 1960, but will decline to 1.5 per cent in the years 1960-1965 and to 1.2 per cent in 1965-1970.

[2] On the " medium " assumption — see *Demographic trends in western Europe, 1951-1971*, OEEC, 1956.

TABLE 2

Changes in the age structure of the adult population in six countries

Country	Population aged 15-59 as percentage of total				Population aged 60 and over as percentage of total				Population aged 40-59 as percentage of population aged 15-59			
	Pre-war [a]	1950	1955	1970	Pre-war [a]	1950	1955	1970	Pre-war [a]	1950	1955	1970
Bulgaria	56.7	62.5 [b]	63.4	62.8	7.8	9.6 [b]	10.2	14.0	30.3	32.5 [b]	36.9	40.3
Czechoslovakia	63.5	62.2	59.8	57.4	10.3	11.9	12.3	15.3	31.8	42.1	43.7	38.7
Eastern Germany	65.4	61.0	60.8	54.3	13.3	16.2	18.3	22.3	38.0	49.2	47.7	37.1
Hungary	62.7	63.2	61.8	57.3	10.4	11.9	12.5	16.2	34.9	40.2	41.7	39.9
Poland	59.7	62.2	60.4	57.1	7.7	8.6	8.5	11.4	29.1	35.6	36.8	35.4
Rumania	59.4 [c]	62.9 [c e]	..	..	7.1 [d]	8.2 [d e]	..	..	..	..	..	..

Sources : See Appendix B.

[a] Bulgaria, 1934; Czechoslovakia, 1930; Eastern Germany, 1939; Hungary, 1938; Poland, 1939; Rumania, 1930.

[b] 1946.

[c] 15-60 age group.

[d] 60 and over.

[e] 1948.

(see Table 2 and Chart 2).[3] The ratio of civilian to military losses in the last war was considerably greater than in the First World War, so that deaths due directly or indirectly to war conditions were more evenly distributed over all ages. Moreover, the decline in birth-rates experienced by all these countries in the late 1930s was accentuated during the war, particularly in eastern Germany, Poland and the Soviet Union, and this reduced the relative numbers of children in the post-war populations. At the other end of the age scale, the process of ageing of populations has not advanced far enough to offset the effects of low levels of births in the preceding fifteen years or so on the share of the working age groups in the total populations.

With regard to the share of those of working age in the total population, the eastern European countries and the Soviet Union found themselves after the last war at the stage of demographic evolution attained by most of the economically advanced western European countries during the inter-war period.[4] But although the burden of dependency seems on the whole to have eased since before the war, other changes in the age composition of the eastern European and Soviet populations were economically disadvantageous. First, the relative expansion of the population of working age was invariably accompanied by considerable aging within this group, the ratio of older adults (40-59 age group) to all in the 15-59 age group having markedly increased (see Table 2). Secondly, the relative number of persons aged 60 and over was higher around 1950 than before the war, has already risen further, and will continue to increase at a faster rate than before during the next fifteen years. Thirdly, the military war losses of the belligerent countries have not only dented their age pyramids at young adult ages, but have also distorted the sex ratios of these ages (see Table VII-A in the Statistical Annex at the end of this chapter).

The economically advantageous population structures (at least in the short run) of the early post-war years have, in fact, begun recently to deteriorate rapidly under the influence of high post-war levels of births — particularly in Czechoslovakia, Hungary and Poland — and of quickened growth of numbers over working age. By 1970 the percentages of the total populations of these countries aged 15 to 59 will have declined markedly from the post-war peak, the drop being by far most pronounced in eastern Germany where, even on the optimistic assumption of no emigration after 1957, this ratio will hardly exceed 54 per cent.

Factors underlying Future Changes in the Potential Labour Force

Among the factors affecting actual or foreseeable changes in age structures, the past trends in the annual numbers of births have been by far the most

---

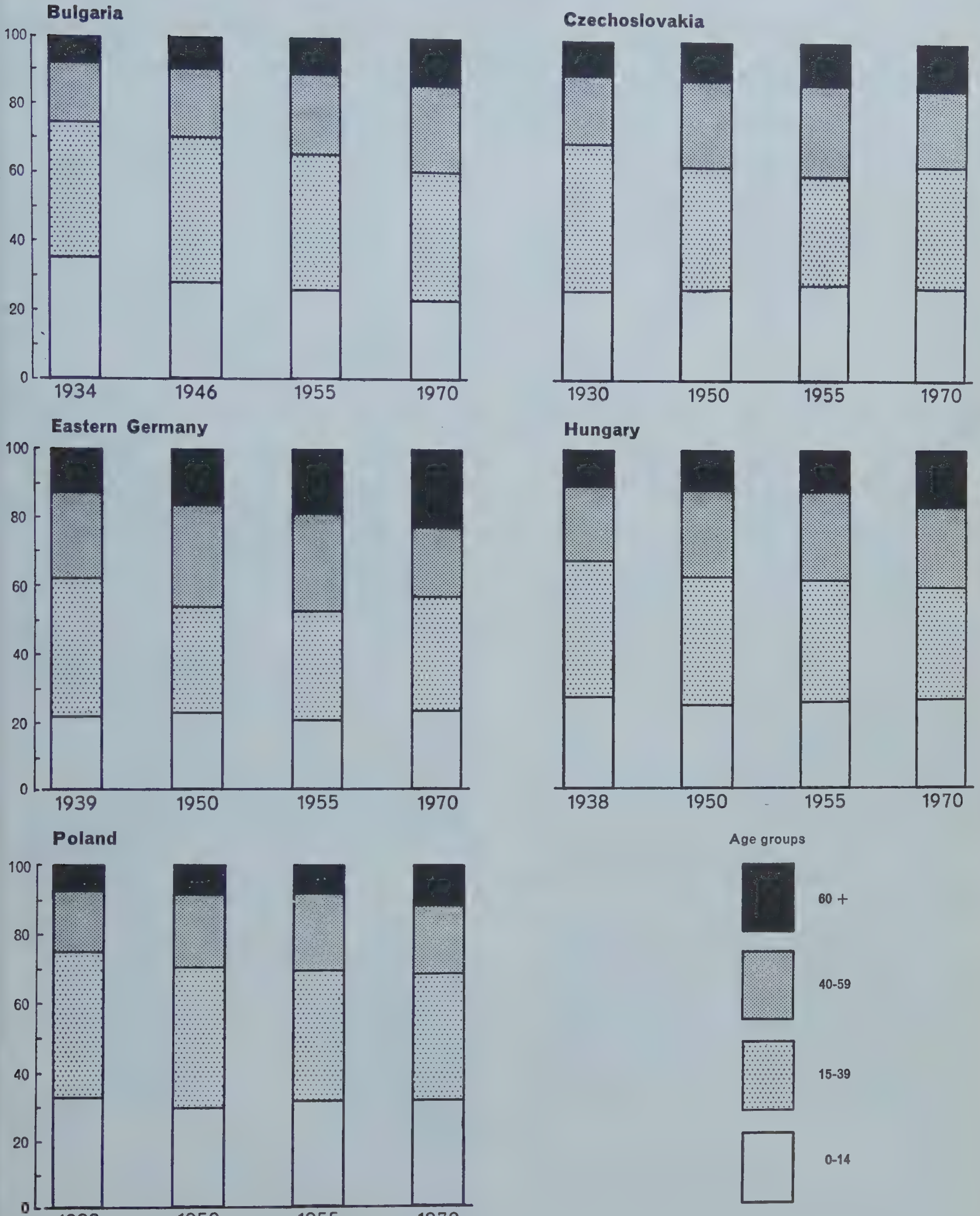
[3] No statistics on age distribution have been published in the Soviet Union since the war, but the Soviet population is probably no exception to this rule. This is indicated, for instance, by the sample survey on the composition of families of collective farmers, which shows an increase in the proportion of able-bodied men aged 16-59 and women aged 16-54 from 46.1 per cent in 1940 to 50.9 per cent in 1952 (*Narodnoe Khozyaistvo S.S.S.R. v 1956 godu).*

[4] See *Aging of populations and its economic and social implications,* United Nations, 1956.

CHART 2

Changes in age distribution of population by broad age groups

Percentages



Sources and methods : See Appendix B.

TABLE 3

Trends in age-specific death-rates

Index numbers

Age group	Bulgaria (1933-1936 = 100)		Eastern Germany [a] (1937 = 100)		Hungary (1938 = 100)		Poland (1931-1932 = 100)	
	1945	1955	1950	1955	1950	1955	1950	1955
Under 1 year	112.2	61.7	..	54.5	65.2	45.7	71.0	45.9
1-4	75.6	29.7	..		40.8	22.4		
5-9	79.5	23.1	68.4	36.8	52.2	30.4	42.9	28.6
10-14	92.3	30.8	69.2	38.5	52.6	31.6	46.2	26.9
15-19	85.4	22.9	84.2	47.4	51.4	28.6	50.0	30.0
20-24	156.9	25.9	82.1	46.4	54.0	26.0	55.6	31.5
25-29	157.4	29.6	76.7	50.0	63.6	36.4	55.9	35.6
30-34	129.4	35.3	75.8	51.5	63.6	38.6		
35-39	98.2	39.3	80.0	52.5	66.7	43.1	62.2	45.9
40-44	98.5	43.1	80.0	64.0	71.2	48.5		
45-49	96.3	55.0	87.0	65.2	77.0	56.3	72.5	59.2
50-54	105.4	84.3	84.3	70.6	82.5	64.2		
55-59			81.0	73.2	82.3	70.9	78.2	65.8
60-64			78.8	73.8	84.3	76.8		
65-69			79.1	75.2				
70 and over			..	..	83.0	80.3		
All ages	*101.4*	*61.6*	*100.9*	*101.7*	*81.0*	*70.4*	*75.8*	*62.7*

Sources : See Appendix B.

[a] The 1937 base data refer to the German territory at that date; 1950 data exclude east Berlin.

important.[5] Although no precise information is available on the extent of the declines in crude birth rates during the war in the countries most affected — i.e., in eastern Germany, Poland and the Soviet Union — there are grounds for believing that in the later stages of the war the drop from the pre-war levels amounted to not less than 25 per cent in eastern Germany and Poland, and to perhaps as much as 40-50 per cent in the Soviet Union. Some decline occurred also in Rumania, whereas in Bulgaria, Czechoslovakia and Hungary the impact of war on the levels of births seems to have been almost negligible (see Chart 3 and Annex Table VII-B).

Estimates relating to the Soviet Union derive from post-war school population figures. Chart 4 shows that the number of enrolled pupils in the first four school classes (roughly aged 7 to 10) has declined from the post-war peak of 23.7 million in the school-year 1948/49 to 12.1 million in 1953/54. The impact of the war-time fall in births and of high infant and child mortality seems to have been so strong that in the school year 1954/55 there were more pupils in the *three* classes of lower secondary schools, in which attendance was far from universal, than in the *four* classes of elementary schools. The chart shows also that the recovery among the elementary school population from the 1953/54 trough was very slow, indicating the absence in the Soviet Union of a post-war " baby boom " on the scale experienced in some western European countries.

The spread between the levels of crude birth-rates in the eastern European countries and the Soviet Union narrowed markedly after the war, with Poland and eastern Germany as exceptions at the two extremes. This came about through a marked decline of rates in the countries of high pre-war fertility such as the Soviet Union and Rumania, accompanied by an increase in the birth-rates of Czechoslovakia and, to a lesser extent, Hungary. In Bulgaria, the post-war increase was only temporary, and pre-war levels were regained in the early 1950s.

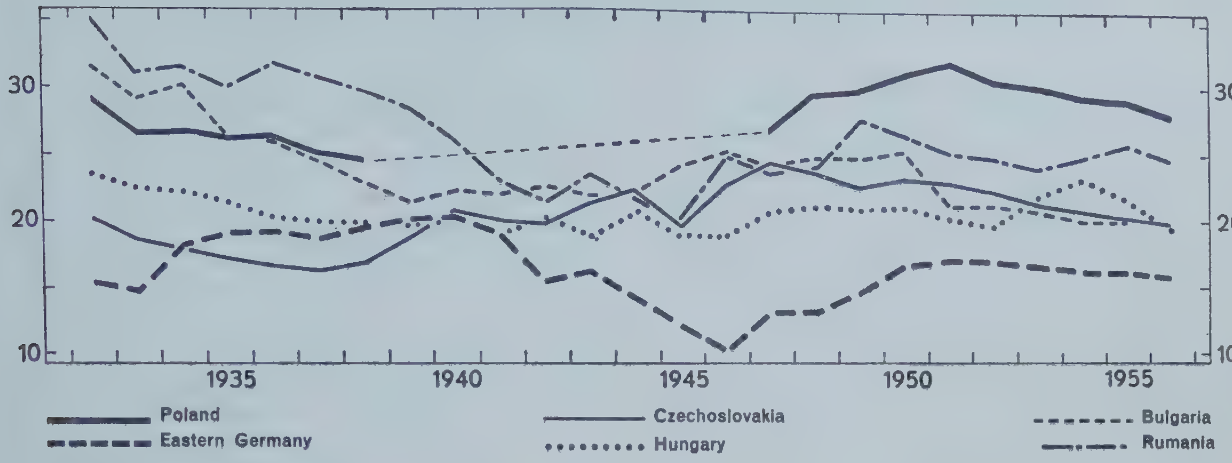
Judging from the fragmentary data available, it would seem that the post-war increases in birth-rates, particularly in Czechoslovakia, Hungary and Poland, were generated partly by factors such as the increased proportion of women at the reproductive ages and higher nuptiality rates (associated chiefly with earlier marriages), but partly also by genuine increases in

---

[5] After the abnormal war years, the long-term decline in mortality rates has continued in all these countries (see Table 3). Since the improvements were far more rapid at very young ages, their immediate effect on the age composition was largely similar to that of an increased birth-rate.

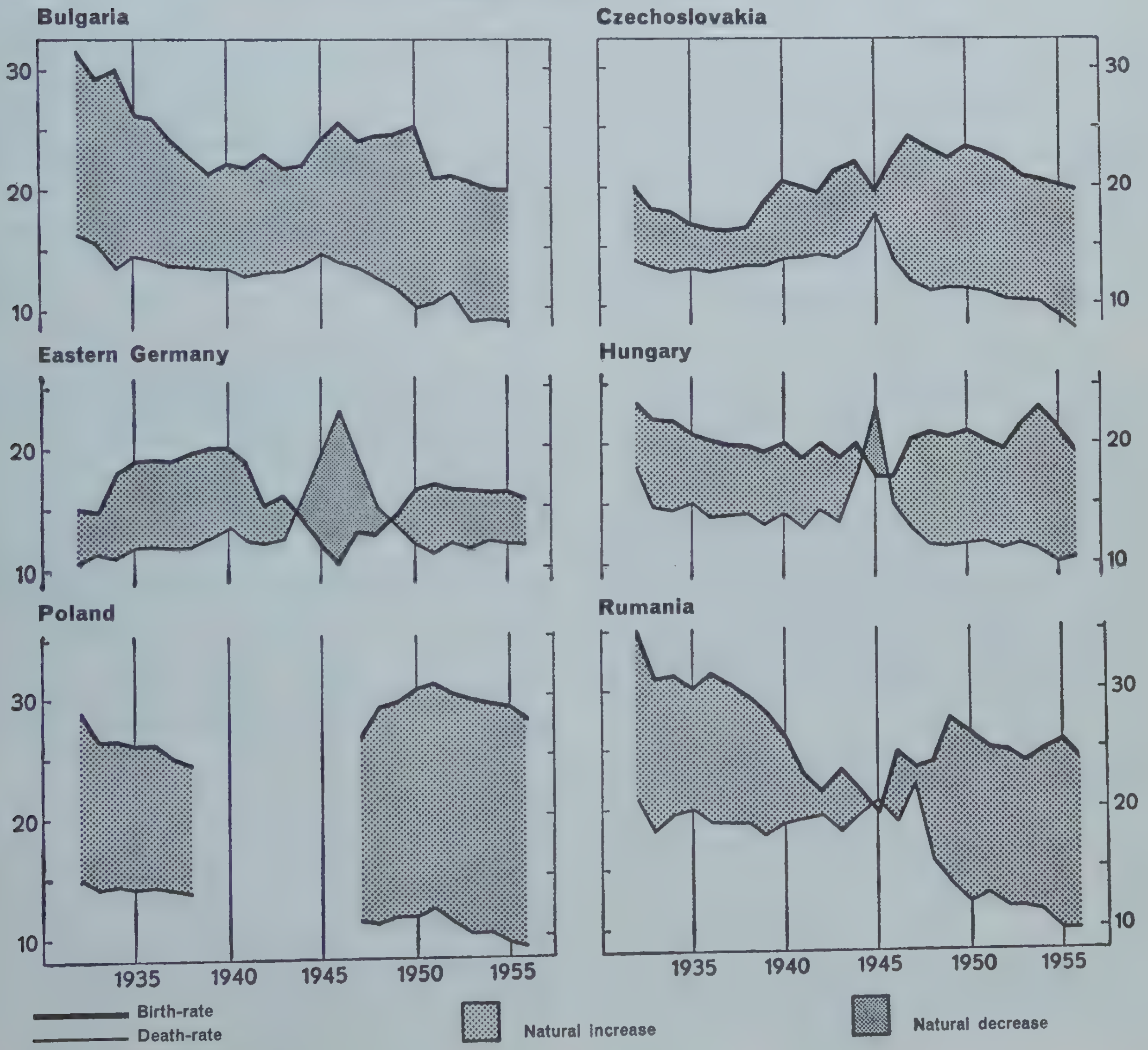
CHART 3 — A. Trends in crude birth-rates

Numbers of births per thousand of population



B. Crude birth-rates, death-rates and rates of natural increase

Numbers per thousand of population

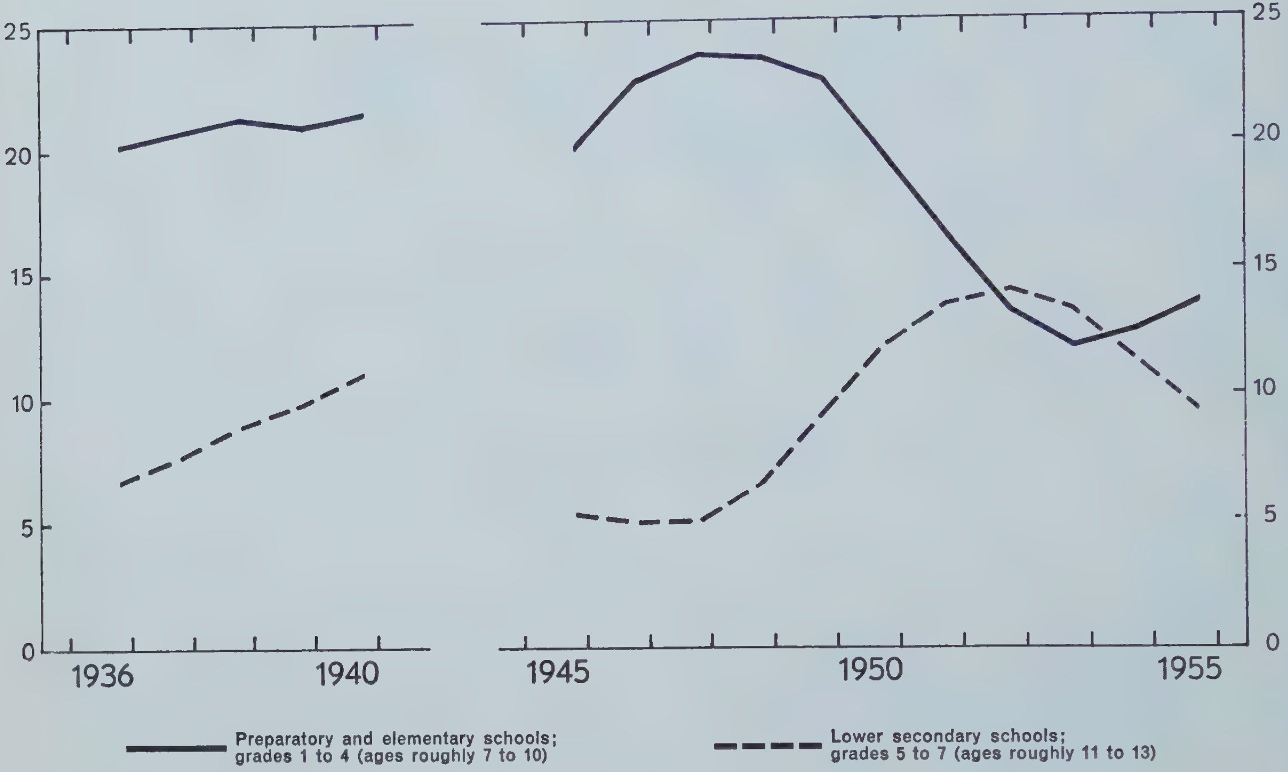


Sources : See Appendix B.

CHART 4

Trends in elementary and lower secondary school population of the Soviet Union

Millions of pupils



Source : Kulturnoe Stroitelstvo S.S.S.R., Moscow, 1956.

fertility.[6] The continuation in Poland during the 1950s of the highest birth-rate in Europe outside Albania (at a level around 30) cannot be entirely ascribed to demographic factors. Security of employment, a general atmosphere of increasing opportunities, free education, increased care for mother and child, and religious conviction, may be adduced among the factors which have encouraged parents to continue to have large families. The virtual elimination of concealed unemployment in agriculture must have helped to maintain the traditional high fertility of the Polish village, while mass transfers of rural youths to the towns boosted urban birth-rates.[7] It is also likely that young peasants moving to the towns have preserved to a certain extent the typical family-building habits of their class.

The tendency towards larger family size seems to have increased rather than decreased during more recent years both in Poland and in Hungary, as evidenced by the comparison of relative distributions of births in 1950 and in 1955 according to birth order (percentages):

Birth order	*Poland*		*Hungary*	
	1950	*1955*	*1950*	*1955*
All births . . .	100.0	100.0	100.0	100.0
First child . . .	33.9	30.9	41.8	37.4
Second	28.9	26.7	26.1	29.5
Third	18.0	19.4	13.1	15.0
Fourth	9.3	11.1	6.9	7.7
Fifth	4.8	5.8	4.0	4.1
Sixth or later . .	6.0	6.1	8.1	6.3

Sources : Rocznik Statystyczny, 1957; *Statisztikai Evkönyv*, 1949-1955.

---

[6] In all three countries increases in fertility rates were particularly marked among younger women:

Percentage Change in Age-specific Birth-rates

Age of mother	*Czechoslovakia (1937 to 1955)*	*Hungary (1938 to 1955)*	*Poland (1931/32 to 1955)*
15–19	+130	+29	+68
20–24	+81	+31	+43
25–29	+38	+12	+7
30–34	+22	+3	−12
35–39	−13	−10	−25
40–44	+22	−18 [a]	−40

Sources : National statistical yearbooks. The 1955 base population figures for Czechoslovakia are ECE estimates. The Polish figures certainly under-state the changes, since the immediate pre-war rates, unfortunately not available, must have been considerably lower than in 1931.

[a] Ages 40-49.

[7] The following estimate of the age composition of urban immigrants in 1952 was given in *Przegląd Zagadnień Socjalnych*, Nos. 8-9, 1954:

Age groups	*Urban immigrants in 1952* (Percentages)	*Total population in 1954* (Percentages)
14–17	11.5	6.7
18–24	31.8	12.4
25–29	15.6	8.6
30–39	14.3	12.2
Total of above ages . .	73.2	39.9

Somewhat contrasting developments have occurred in the Soviet Union. Post-war births stabilized at an annual rate of some 25-27 per 1,000 population — a level still high by European standards but lower than before the war — and it is clear that the decline in the rate, which accompanied industrialization, was not disturbed by any post-war compensations for war-time losses. This can be attributed chiefly to two factors: the distortion of sex ratios at marriageable ages, resulting from war losses, and the maintenance of high levels of female economic activity after the war not accompanied by any significant expansion of facilities for children's care.[8] But for continuing normalization of sex ratios in the reproductive age groups during the 1950s, the crude birth-rate would probably have fallen still further, particularly in view of the more liberal attitude taken recently by the Government towards family planning.[9] Repercussions of new policies in this field, developing particularly in China but spreading to other socialist countries, cannot fail to affect their future fertility trends.

Year-to-year changes in the size of the active population are primarily determined by net increments to the number of persons of working age, which in the absence of important migratory movements, are the sum of the young people reaching working age every year less the annual exits from the working age groups due to deaths and ageing. If the working age population is, rather arbitrarily, defined as including persons aged 15 to 59, the changes in its size are largely the function of the number of births fifteen years before — since deaths in these age groups do not fluctuate greatly from one year to another — though changes in the probability of survival to the age of 15 can also be of importance if mortality rates at early ages change significantly.

In Poland, the number of young people reaching the age of 16 each year will fall in the late 1950s by about 50,000 (or about 10 per cent) compared with the mid-1950s, and by twice as much compared with the immediate post-war years (see Chart 5). As this decline in labour availabilities happens to coincide with some difficulties in providing employment for all those seeking work, it is looked upon as a blessing in disguise.[10] Around 1961, however, the large post-war birth cohorts will begin to enter active age, and the numbers entering this age group each year will be of the order of 600,000, or an increase of some 35 per cent over the numbers of new entrants in 1960. The maintenance of high levels of births, combined with further improvement in mortality at early ages, will push the number of new entrants up to nearly 750,000 by 1970. A similar cycle will take place somewhat later in the Soviet Union — judging from the school attendances shown above — with a decline still steeper and a recovery somewhat smaller, and will occur also on a smaller scale in Rumania.[11]

In eastern Germany, the number of entrants to the working age group in the late 1950s will fall no less dramatically than in the Soviet Union, sinking at the bottom of the trough to a level about half the 1955 figure. The recovery, on the other hand, will be both slower and much smaller owing to the low levels of post-war births.

The Population Problem of Eastern Germany

By 1948 the number of German post-war expellees from eastern Europe living in the whole of Germany amounted to about 11.6 million,[12] of which about 4.3 million were in eastern Germany (amounting to almost one-quarter of the total population). Although the bulk of the transfers took place in 1945 and 1946, eastern Germany was still a country of net immigration during the two following years, when its population was increasing despite an excess of deaths over births:

Estimates of population movement

(Millions)

Period	*Immigration from eastern Europe*	*Net emigration to western Germany*	*Natural increase*	*Actual increase*
Mid-1946 to mid-1948	1.7	0.4	−0.3	+1.0
End-1948 to end-1956	0.1	2.2	+0.6	−1.5

After 1948, however, the picture changed completely. Birth-rates revived and death-rates dropped sufficiently to turn the natural decrease into a small increment. Immigration came to a halt, but emigration to western Germany continued unabated, reaching its peak of between 350,000 and 400,000 in 1953.

---

[8] In 1955 the total number of available places in children's creches hardly exceeded that of 1940, and in the villages the pre-war level has not even been reached. In the period 1950 to 1955 less than half of the creches planned were in fact put into use.

[9] Until now this has found its expression primarily in the liberalization of abortion laws, which was expressly motivated by the desire " to put the choice of motherhood upon the woman " (M. D. Kovrigina, the Minister of Health, at the XXth Party Congress), and this could be construed as foreshadowing a policy tolerant of the prevention as well as the interruption of pregnancy.

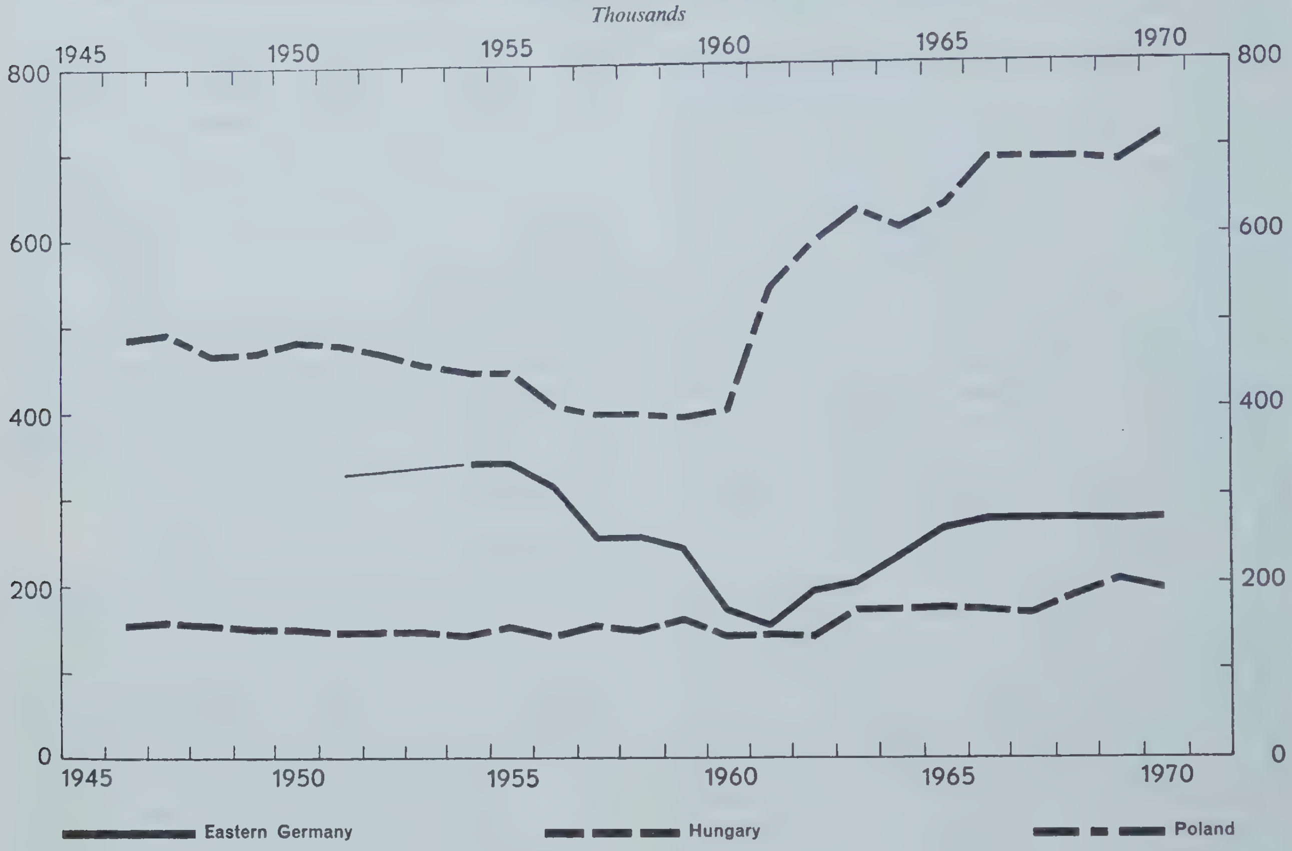
[10] See Section 4 below.

[11] The number of pupils in the first four classes (ages roughly 7-10) has declined in Rumania from 1,507,000 in 1948/49 to 1,172,000 in 1954/55. Some decline in birth-rates in this country during the war (see Annex Table VII-B) was strongly reinforced in its effect on future labour supply by high infant mortality, particularly during the early post-war years, when it reached the extremely high figure of almost 200 deaths per 1,000 live births.

[12] The expulsion of about 7.5 million Germans from Poland and about 2.5 million from Czechoslovakia created resettlement difficulties for all the countries affected. In Poland, the vacated places were largely taken over by the Polish repatriates from the territories ceded to the Soviet Union. In Czechoslovakia, where the loss of the German active population was particularly felt in agriculture, textiles and ceramics, the resettlement of the " border areas " has still not been completed.

CHART 5

Numbers of persons reaching the age of 16 in eastern Germany, Hungary and Poland



Sources and methods : see Appendix B.

The salient feature of these migratory movements was the difference between the age and sex compositions of the incoming and of the outgoing populations. Whereas the immigrants represented more or less a cross-section of the population with regard to age and sex, a disproportionately high share of emigrants has consisted of young and able-bodied men.[13] This emigration has combined with the differential effect of war losses and the impact of low First World War births to distort the age structure of eastern Germany's population to an extent which will bear on its economic and social life for years to come. A continuation of emigration on anything like the present scale, combined with the dwindling supply of new entrants to the labour force described above, would by 1960 give rise to labour supply problems of the utmost gravity.

(ii) Factors affecting the growth of the active population

Given the population of working age, the size of the economically active population in conditions of ample employment opportunities depends on the extent to which the various marginal categories — such as women not previously employed, older persons around or past the retirement age, and the very young — enter the labour market. An analysis of trends in the utilization of the potential labour force in eastern Europe and the Soviet Union is unfortunately hampered by the lack of necessary statistics, particularly those on age and sex composition of the active population. Moreover, even in the rare cases when such data — usually fragmentary — are available, differences in definitions and coverage prevent valid comparisons with the pre-war situation or with developments in other countries.[14]

---

[13] The percentages of persons aged 14 to 39 among emigrants of each sex have been as follows:

Year	*Men*	*Women*
1952	56.6	48.4
1953	50.1	46.4
1954	53.8	51.8
1955	61.9	55.5
1956 (First half)	57.0	53.0

Source : Wirtschaft und Statistik, No. 6, 1957.

[14] This applies above all to the definition of female activity in agriculture; but the inclusion or exclusion of certain groups, such as the armed forces and police or the unemployed, also enormously complicates the comparability problem.

In these circumstances this sub-section is largely devoted to a statistical analysis of the contribution of female labour to the expansion of non-agricultural employment, and to a discussion of the factors which affect the propensity of other marginal groups to take up gainful employment.

Long-term Trends in the Employment of Women

For economic as well as for social reasons, employment of women outside the sector of personal and domestic services was traditionally low in eastern Europe before the war (though not in the Soviet Union). Chronic unemployment in the inter-war years combined with the still dominant " Kinder, Küche, Kirche " concept of woman's role in society to restrict the entry of women into the non-agricultural labour market. As in most western European countries, the exigencies of the war led to the fuller mobilization of labour reserves, especially in eastern Germany and Czechoslovakia, but in other countries the real change in female employment was brought about by the post-war social revolutions.[15]

It would be wrong to assume, however, that the policy of encouraging female employment stemmed exclusively from the desire to raise woman's social status and ensure her emancipation in the new social order, or that it was entirely divorced from economic considerations. In fact, economic considerations played a large part both in the development of policies of encouraging female employment and in the decisions of women to seek work outside the home.

Both in the Soviet Union between the wars and in several eastern European countries since the end of the last war, female employment in industry has been encouraged even while reserves of male labour continued to exist in agriculture. But the policy of utilizing the reserves of female labour among the urban population (including those who had previously been unpaid helpers in family trading or handicraft enterprises) helped to reduce the need for investment in housing, transport facilities, etc., which would have been required for an even greater movement of population from the countryside into urban employment than actually occurred. Moreover, the universal decision to devote a very high share of national resources to investment, and to hold real wages at low levels, tended to force women to seek work and to compete for the new employment opportunities with the workers moving out of agriculture.

The decision of women to take up gainful employment was, in fact, undoubtedly dictated in most cases by economic necessity associated with the generally low real wages of the chief family earners; but this desire was encouraged, and its fulfilment made possible, by such developments as equal pay, better care for expectant mothers and for children and, above all, by widened employment opportunities. However, it is interesting to note that in the conditions of a slackening growth of demand for labour in industry at present experienced in Bulgaria, Poland and Rumania, and with the beginnings of difficulties in finding employment for all those seeking work, measures are being taken to facilitate the withdrawal of some female labour from the market.

Except in the Soviet Union and eastern Germany, where demographic factors (i.e., the depletion of the male population) have played an important part in raising female employment,[16] the share of women in the total non-agricultural labour force appears not to have been higher in the late 1940s than before the war (see Table 4). In Czechoslovakia, Hungary, Poland and probably Bulgaria and Rumania also, changes in the female working population outside agriculture seem to have been roughly parallel to those in male employment over this period. The reason becomes clearer when it is realized that a considerable part of the immediate post-war expansion of non-agricultural employment was due to the elimination of urban unemployment, mainly affecting men, and to the influx of rural labour which again consisted overwhelmingly of male workers.[17] The majority of women entering non-agricultural occupations during this period were recruited from urban households, and their employment represented a net gain in the utilization of urban labour reserves and reflected a genuine increase in female activity rates outside agriculture.

But the main contribution of women to the post-war expansion of the industrial labour force resulted from the shift in the structure of female employment. Before the war, about one-quarter to one-third of all gainfully occupied women worked in domestic and other personal services. This category all but disappeared after the war and the freed labour entered more productive branches of the economy. In particular,

---

[15] Perhaps the most striking example of the shift in social attitude is provided by Albania. In this country the number of women employed outside their homes has risen from less than a thousand at the end of the war to 28,000 at present. Women workers now occupy a key position in the food, clothing, tobacco and cotton industries, where they account for more than 50 per cent of the total labour force. (See *Industry and Labour*, ILO, No. 5, 1957.)

[16] The employment of women in the Soviet Union as coal-cutters and in steel furnaces, etc., during and for some years after the war can hardly be described as a social gain and was clearly dictated by the shortage of male labour. In this period the statutory restrictions on female labour in strenuous occupations were either lifted or ignored, but since 1955 this policy has apparently been modified.

[17] The post-war reduction in the domestic services sector, which consisted almost exclusively of women, also tended to lower the ratio of women to men outside agriculture. This is best seen in Poland, where the shares of female labour increased after the war in all sectors except personal services yet the over-all proportion declined somewhat.

TABLE 4

Female wage-earners[a] by main economic branches

Economic branch	Percentage distribution			Females per hundred wage-earners[a]			Female wage-earners in 1955
	1934	1950	1955	1934	1950	1955	*Index 1950 = 100*
Bulgaria							
Total outside agriculture	*100.0*	..	*100.0*	*19.4*	..	*28.6*	..
Industry	37.0	..	43.3	17.4	..	29.4	..
Building		..	2.4			6.4	..
Transport	1.7	..	1.5	4.5	..	9.2	..
Communications			2.7			39.9	..
Trade and catering	2.8	..	11.0	7.3	..	28.9	..
Education and culture	17.9	..	18.4	40.1	..	54.1	..
Health services	..	..	8.6	..	..	59.6	..
Administration	3.3	..	8.7	3.9	..	29.2	..
Domestic and personal services	37.3	..	2.4	54.6	..	26.9	..
Other	—	..	1.0	—	..	6.2	..
	1930	1950	1955[b]	1930	1950	1955[b]	*Index 1950=100*
Czechoslovakia							
Total outside agriculture	*100.0*	*100.0*	*100.0*	*28.4*	*29.0*	*37.2*	*146.8*
Industry	50.0	49.0	46.8	23.7	29.2	35.2	140.1
Building		2.8	2.9		7.3	9.7	153.6
Transport	1.4	1.9	2.8	5.5	9.7	20.7	221.1
Communications		0.9	1.8				300.0
Trade	9.7	18.7	19.2	31.7	40.1	59.5	150.3
Health services		6.5	7.6	21.0	49.7	56.2	169.7
Education and culture		8.7	9.9				165.9
Communal services		2.7	3.4				185.2
Administration		6.0	5.0		31.5	38.2	123.3
Other	29.2	2.8	0.5	76.1			25.0
of which : Domestic service	25.8	..	..	90.5	..	..	
	1939[c]	1950	1955	1939[c]	1950	1955	*Index 1950 = 100*
Eastern Germany							
Total outside agriculture	*100.0*	*100.0*	*100.0*	*29.7*	*36.6*	*42.0*	*144.2*
Industry	42.3	40.3	42.8	26.1	32.3	37.8	153.2
Handicrafts	—	6.7	4.4		30.8	32.0	94.8
Building	0.8	1.6	1.5	2.4	8.0	9.1	137.0
Transport	1.9	2.4	3.5	7.0	12.7	20.0	207.1
Communications		2.3	2.7		40.2	55.4	174.4
Trade and catering	15.2	12.4	18.5	44.8	53.1	61.8	214.0
Other	39.8	34.3	26.6	49.7	58.0	62.2	111.8
	1941	1951	1955	1941	1951	1955	*Index 1951 = 100*
Hungary							
Total outside agriculture	*100.0*	*100.0*	*100.0*	*31.3*	*30.8*	*33.8*	*133.3*
Industry	34.3	41.0	42.5	23.4	32.2	31.8	137.9
Building		6.1	3.4		14.3	13.5	75.4
Transport and communications	1.7	7.2	6.2	7.9	20.1	17.5	114.7
Trade and catering	6.3	14.4	18.1	26.4	43.1	48.3	167.4
Administration, health service, education	11.7	19.1	20.6	20.9	44.8	51.1	143.9
Other	46.0	12.2	9.2	64.1	38.2 *	38.2	100.5
of which : Domestic service	24.9	..	..	..	..	..	..

TABLE 4 (*continued*)

Female wage-earners[a] by main economic branches

Economic branch	Percentage distribution			Females per hundred wage-earners[a]			Female wage-earners in 1955
	1931	1950	1955	1931	1950	1955	*Index 1950 = 100*
Poland							
Total outside agriculture	*100.0*	*100.0*	*100.0*	*32.5*	*29.1*	*33.5*	*184.2*
Industry and handicrafts	32.0	43.1	41.7	22.9	27.4	30.3	178.0
Building	0.4	2.4	4.5	3.0	8.3	12.5	349.4
Transport and communications	1.1	4.0	4.3	6.0	9.4	15.1	201.2
Trade and catering	16.0	13.0	13.7	35.1	46.5	47.3	193.7
Communal economy	6.9	37.5	35.8	36.4	42.9	53.1	175.8
Health, education and culture	10.1			47.0			
Administration, justice and finance	2.7			22.5			
Non-productive services	30.9			77.7			
of which : Domestic service	29.6			96.0			
	1930	1950	1957	1930	1950	1957	..
Rumania							
Total outside agriculture	*100.0*	..	*100.0*	*25.7*	..	*27.1*	..
Industry	26.9	..	38.0	19.5	..	25.6	..
Building	1.5	..	3.9	10.2	..	7.3	..
Transport	4.9	..	..	11.1	..	8.9	..
Communications		..	..		..	38.4	..
Trade and catering	19.3	..	16.4	38.1	..	40.9	..
Education and culture	28.1	..	..	27.9	..	57.2	..
Health services		..	..		..	64.2	..
Administration		..	..		..	25.8	..
Other	19.3	..	..	48.5	..	..	..
	1940	1950	1955	1940	1950	1955	*Index 1950 = 100*
Soviet Union							
Total outside agriculture	*100.0*	*100.0*	*100.0*	*39*	*47*	*47*	*117.8*
Industry	40.2	37.4	39.1	41	45	45	122.7
Building	3.2	5.0	4.9	23	33	31	115.9
Transport and communications	8.4	9.3	9.3	24	34	33	118.8
Trade and catering	13.3	11.4	12.0	45	57	64	124.6
Education	15.2	14.8	15.6	58	67	68	123.9
Health service	10.2	10.1	11.2	76	84	85	129.6
Administration, credit, insurance	6.5	5.6	4.0	35	45	49	84.5
Other	3.0	6.4	3.9	13	34	21	72.3

Sources : See Appendix B.

[a] For post-war data, including all wage-earners and employees. With the exception of the Soviet Union, all pre-war figures refer to " salaried employees and wage-earners " only; i.e., they exclude " workers on own account " and " unpaid family workers ".

[b] Total active population in 1955 refers to the yearly average, and the numbers of active women to the end of 1955.

[c] Whole of Germany.

the share of women in total industrial employment increased from about one-fourth before the war to about one-third in the late 1940s in eastern Germany and Hungary, and from less than 20 per cent to about 25 per cent in Bulgaria and Rumania. More than 40 per cent of all employed women outside agriculture now work in industry and building in all countries of the area, nearly 50 per cent in eastern Germany and Hungary, and apparently an even larger proportion in Czechoslovakia.

The inflow of female labour also changed markedly the sex composition of employment in other branches of the economy. This is particularly true of education, health and other social services which in some countries are now predominantly staffed by women — though nowhere to the same extent as in the Soviet Union.

In the latter country the policy of replacing men by women in occupations considered manageable by the latter — systematically applied over a number of decades and supported by selective admissions to educational institutions — has led to certain specialized occupations being virtually taken over by women:

Share of women in selected occupations in the Soviet Union

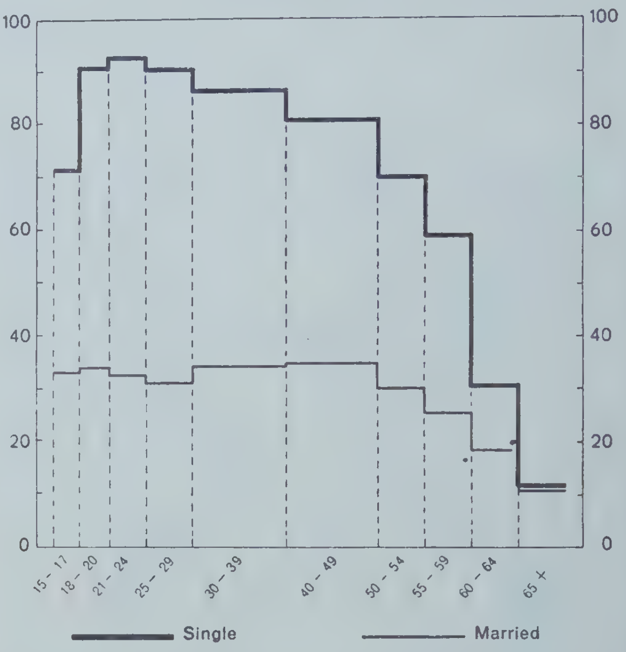
Occupation	*University level* 1941	*University level* 1956	*Below university level* 1956
All " specialists "	34.4	53.0	65.7
of which :			
Medical services	60.5	74.9	90.8
Teachers and cultural workers	49.1	66.0	79.0
Economists, planning staff and trade technicians . . .	30.6	54.0	77.0

Source : Narodnoe Khozyaistvo S.S.S.R. v 1956 godu.

CHART 6

Female activity rates in eastern Germany in 1950

Number of active women per hundred of given age and marital status



Source : Statistisches Jahrbuch der Deutschen Demokratischen Republik, 1957.

In eastern Europe, as in western Europe, the expansion of female employment has been accompanied by an increasing incidence of employment among married women.[18] In eastern Germany more than 40 per cent of all working women were married, according to the 1950 census, and more than one-third of all married women were working. From the extremely high activity rate among single women between the ages 18 and 50 in that year (see Chart 6), and from the increase in female employment in the following years, it can be deduced that activity rates among married women have been steadily increasing. Nor is female activity among married women restricted to childless marriages: in Poland there were as many as 140,000 mothers with three or more children in gainful employment outside agriculture by the end of the Six-year Plan.[19] The employment of married women has been greatly facilitated by the expansion of a system of creches and kindergartens in all eastern European countries. Though still insufficiently developed in

---

[18] See " Employment of married women and mothers of families ", *International Labour Review,* No. 6, 1951.

[19] *Trybuna Ludu,* 16 February 1957. In Hungary, 38 per cent of all women confined in 1953 had a gainful occupation. (*Adatok és Adalékok . . . ,* 1957, p. 438.)

TABLE 5

Changes in the size of the total working population, by sex, in four countries

Country	Period covered (end-of-year figures)	Percentage change: Total working population	Percentage change: Males	Percentage change: Females	Yearly average percentage change: Total working population	Yearly average percentage change: Males	Yearly average percentage change: Females
Czechoslovakia . . .	1950-1955	7.0	—	18.9	1.4	—	3.8
Eastern Germany . .	1950 [a]-1956	−3.6	−9.4	5.2	−0.7	−1.7	0.9
Hungary	1948-1955	15.2	11.6	23.6	2.2	1.7	3.4
Poland	1950-1955	9.8	12.7	6.2	2.0	2.5	1.2

Sources : National statistical yearbooks and direct communications from the Czechoslovak and Polish Governments.

NOTE. — The concept of total working population includes all employed wage and salary-earners (including apprentices), the self-employed and family helpers, but excludes students, non-working pensioners and, except for Hungary, the armed forces. The definition of activity in agriculture varies from one country to another.

[a] 31 August. The 1950 data for eastern Germany include the temporary unemployed and cover all sectors of employment, whereas the 1956 figures exclude uranium mining and employment controlled by the Ministry of the Interior and by the occupation forces. Thus the decline in the total working population indicated in the table is fictitious. A rough estimate for comparable totals would suggest an increase of about 4 per cent over the period almost entirely due to an increase in the employment of women.

relation to demand,[20] it has enabled many married women with children to take up full-time occupations. In contrast with western European practices, part-time employment of women is relatively rare in eastern Europe.

The Contribution of Female Labour to Recent Increases in Employment

Except in Poland, and probably in the Soviet Union, for which no data are available, the total female working population was everywhere increasing considerably faster than the male working population during the years 1950 to 1956 (see Table 5). The relatively small expansion of the total female labour force in Poland was largely due to the changes in the structure of the active population, since industrialization and urbanization tend to reduce both absolutely and relatively the over-all female activity rate — particularly when, as in Poland, all able-bodied women on the farms are counted as active.

The contribution of women to the rise in the numbers of wage-earners and employees outside agriculture was still greater than their contribution to the growth of total employment (see Table 6). The growth of female employment was particularly rapid in the years 1948 to 1951, when the liquidation of the private sector of the economy led to many women changing their employment status from unpaid family workers and self-employed to that of wage and salary earners. The figures in Table 6 do not therefore permit valid inter-country comparisons, and the trends shown exaggerate somewhat the genuine relative expansion of female labour. Nevertheless, there is no doubt that the role of female labour increased in importance during the period of the last long-term plans and that a very considerable part of the expansion of non-agricultural manpower could have taken place only through a better utilization of female labour reserves. This is particularly true of Czechoslovakia and eastern Germany, where women contributed as much as three-quarters and two-thirds respectively of the increase in employment, and of Hungary, where their share amounted to more than 50 per cent.

Partly for the reasons just mentioned, and partly because of fluctuations in the demand for labour in general, the expansion of female employment was faster at the beginning than in the closing years of the long-term plans, in all countries except eastern Germany. There, the years around 1950 witnessed a pressure on the labour market and some unemployment, about 70-80 per cent of which was accounted for by women.[21] Shortages of labour and increasing opportunities for female work appeared in eastern Germany only later, at the time when in most other countries the rates of employment growth were slowing down (see Section 4 below).

Few generalizations can be made about changes in the structure of female non-agricultural employment in recent years (see Table 4). On the whole the proportion of women employed in industry has continued to increase gently and the proportion in trade quite considerably, particularly in eastern Germany

---

[20] The number of places available in creches amounted in 1955 to around 5 per cent of all children below three years old in Hungary (more than 10 per cent in Budapest) and eastern Germany, and to about 2.5 per cent in Poland. The capacity of kindergartens expressed as a percentage of all children aged 3 to 6 varied from about 15 per cent in Poland and 25 per cent in Hungary to as much as 51 per cent in eastern Germany. The latter figure, however, includes children's homes and refers not so much to capacity as to the actual number of children accommodated, which appears to have exceeded by about 30 per cent the number considered desirable.

[21] In 1950 there were still about 325,000 persons unemployed in eastern Germany. By 1952 this figure dropped to around 107,000. (*Statistisches Jahrbuch*, 1957.)

TABLE 6

Changes in numbers of wage-earners and employees outside agriculture, by sex, in six countries

Country	Period covered (end-of-year figures)	*Percentage change*			Percentage of women to total increase	*Yearly average percentage change*		
		Total	Males	Females		Total	Males	Females
Bulgaria [a]	1951-1955	37.4	38.8	36.8	28.5	8.3	8.5	8.1
Czechoslovakia [b]	1950-1955	14.4	4.6	36.0	78.1	2.9	0.9	7.2
Eastern Germany . . .	1950 [c]-1956 [c]	24.3	13.0	44.0	66.2	4.1	2.2	7.3
Hungary	1948-1955	53.8	31.4	126.2	55.5	7.7	4.5	18.0
Poland	1949 [c]-1955 [c]	60.0	50.1	84.2	40.8	10.0	8.4	14.0
Soviet Union	1950 [c]-1955 [c]	17.8	17.8	17.8	47	3.6	3.6	3.6

Sources : National statistical yearbooks, and direct communication from the Government of Bulgaria.

[a] Total of wage-earners and employees.

[b] Total working population outside agriculture.

[c] Yearly average (see footnote to Table 5).

TABLE 7

Percentage share of females in total wage-earners [a] and percentage distribution of female wage-earners [a] by economic branches in selected countries

Economic branch	France (1954)		Portugal (1950)		United Kingdom (1951)	
	Females per 100 wage-earners	Percentage distribution	Females per 100 wage-earners	Percentage distribution	Females per 100 wage-earners	Percentage distribution
All wage-earners and employees outside agriculture	*33.5*	*100.0*	*31.9*	*100.0*	*32.3*	*100.0*
Manufacturing and mining	30.1	38.9	29.0	34.2	28.9	40.6
Construction	3.8	1.2	0.7	0.2	3.6	0.7
Electricity, gas and water	11.7	0.4	4.4	0.1	8.1	0.5
Transport and communications	17.7	4.7	7.5	1.7	12.5	3.3
Trade	41.6	18.7	12.3	3.5	44.5	18.2
Services	56.9	36.1	55.8	60.3	47.9	36.7

Source : Yearbook of Labour Statistics, ILO, 1956.

[a] Including all wage-earners and employees.

and Hungary. With only a few exceptions, though to a varying degree, the share of women has been rising in all large economic sectors, indicating a consistently increasing reliance on female labour to provide the increment of manpower in all occupations.[22]

The participation of women in non-agricultural pursuits appears now to be not essentially different in eastern and in western European countries (compare Tables 4 and 7), the over-all shares oscillating around one-third of all employees and workers.[23] Among the industrially advanced countries, such as France and the United Kingdom, the shares of females in the labour force are rather similar to those in eastern Europe in industry, transport and trade, but definitely lower in building. In the less economically developed countries, such as Portugal, the weight of " services " is responsible for high over-all shares of female employment, whereas the high participation rate in industry is due to the prevalence of light industry — a situation reminiscent of that in most eastern European countries before the war. But although the sex structure of total employment outside agriculture in eastern Europe has by now generally come very near to that characteristic of economically advanced western countries, the figures in Table 8 indicate that the share of female employment in " heavy " industrial sectors — such as metallurgy, mining and electric power — is by far higher in the eastern European countries listed than in the most advanced western industrial countries, even if manual workers alone in, say, Poland are compared with all workers and employees in Great Britain or the United States.

As was mentioned before, the employment of women has nowhere reached a scale and importance approaching that in the Soviet Union. Over the decade 1940-1950, and with a somewhat smaller total population, hired labour increased in that country by about 25 per cent, and 83 per cent of the increase was due to females.[24] Between 1950 and 1955 the rate of growth of female hired labour was identical to the male rate and, although it is not known how much of this increase was due to normal intake and to transfers from agriculture and how much to the activization of hitherto non-working women, it seems likely that there has been a further rise in female activity rates. What can be said with some degree of confidence is that these must by now have risen to such proportions that very little further advance is possible, at least until creches, kindergartens and nursery schools become universally available and universally accepted as the alternative to orthodox methods of child-rearing. On the contrary, considering that the proportion of married women to all women is continuously increasing as sex ratios at marriageable ages become more normal, that improvements in income make it less necessary for women to work, and that social desiderata are receiving increasing attention, the female activity rate may well not be maintained at its present high level.

---

[22] Considering the tendency towards normalization of sex-ratios among young adults (ages 15 to 39) the genuine relative increases in female activity must have been greater than is indicated by trends in shares. (See Annex Table VII-A.)

[23] The two groups excluded from western European data — workers on own account and unpaid family helpers, roughly compensate for one another.

[24] The peak of female employment in relation to the male civilian labour force must have occurred about 1944 or 1945. On 1 October 1945 there were 55 women per 100 hired workers. This ratio was 51 per cent in industry and 57 per cent on state farms and MTS. (*Dostizhenia sovetskoi vlasti za 40 let v tsifrakh*, Moscow, 1957.)

TABLE 8

Share of females in industrial employment in selected countries

A — Number of female workers and employees per 100 of both sexes.
B — Number of female manual workers per 100 manual workers of both sexes.

Industry	Bulgaria (1955)	Eastern Germany (1956)	Hungary (1955)		Poland (1954)		Great Britain (1956)	United States (1956)
	A	A	A	B [a]	A	B	A	A
TOTAL	*29.4*	*37.9*	*33.0*	*31.5*	*30.7*	*31.4*	*30.6*	*23.6*
All heavy industry	..	*25.7*	*22.6*	*19.5*	..	..	..	..
Metallurgy	10.4	19.6	18.3	..	18.2	16.2	12.0	11.1
Fuel	11.1	13.8 [b]	10.7	..	11.0	8.2	2.0	2.5
Electric power	13.5	20.2	19.1	..	20.8	13.1	11.9	14.1
Engineering (including electrical machinery)	16.5	26.9	21.2 [c]	..	22.4	21.3	22.4	17.7
Chemicals	30.1	35.6	32.0 [d]	..	20.8	23.2	29.0 [d]	19.6
Building materials	8.6	24.4	34.1	..	19.6	17.9	24.4	17.4
All light industry	..	*57.0*	*57.9*	*62.3*	..	..	..	..
Paper	26.9	47.7	39.1	..	53.4	58.3	36.5	23.4
Printing	47.3	43.2	46.2	..	53.1	55.1		24.9
Textiles	66.5	67.4	63.2	..	68.4	74.9	57.6	42.6
Clothing	58.3	87.7	66.5	..	..	..	71.9	70.8
Wood-processing	13.5	35.5	31.0	..	23.1	22.4	21.6	7.6
Leather and shoe-making	25.1	61.4	38.4	..	30.3	30.0	41.6	44.2
Food	36.5	49.2	41.7	40.1	29.9	30.2	44.5 [e]	22.7

Sources : See Appendix B.

[a] 1953. [b] All mining except uranium. [c] Excluding electrical machinery. [d] Including pharmaceutical products. [e] Including tobacco.

Employment of the Old

In contrast to most western European countries,[25] the age of eligibility for old-age pensions was, until recently, of little relevance to the incidence of employment among older people in eastern Europe and the Soviet Union. Except in Czechoslovakia and eastern Germany, the normal pensionable age is in all these countries 60 for men and 55 for women, and thus generally lower than in the west. The post-war pensions schemes represented a considerable improvement on the pre-war schemes in coverage and in their basically non-contributory character; but the negligible purchasing power of pensions has combined with low living standards to make it imperative for persons reaching retirement age to continue their gainful occupations as long as their health permits.

During the reconstruction period and in the early 1950s, the maintenance of high activity rates among the old was, in all countries except perhaps eastern Germany, consistent with the general policy of drawing into the labour force all available human resources. A radical change of attitudes towards retirement policies, based partly on humanitarian and partly on economic grounds, has occurred only very recently. In particular, the appearance of some unemployment in Bulgaria, Hungary, Poland and Rumania has had a major influence on the recent revisions of pensions schemes directed towards at least a partial removal of the aged from the labour market.[26] In the countries where labour shortages exist, such as Czechoslovakia and eastern Germany and, to a lesser extent, the Soviet Union, improvements in the welfare of pensioners have also been undertaken, despite some conflict with the desiderata of employment policy.

The lack of statistical data on activity rates by age makes it impossible to assess in any detail the extent to which the old have in fact been brought into the labour market during past years, especially since observed increases in their employment may have been partly due to the continuous aging of the populations.[27] However, there is no doubt that the over-all participation rates among the old were increasing in the early 1950s in almost all the countries of the region; [28] and this occurred despite changes in industrial structure during this period which, by virtually eliminating the private sector and restricting handicrafts and services, were not favourable to the employment of the old.

---

[25] See *Economic Survey of Europe in 1955*, Chapter 5.

[26] See *Economic Survey of Europe in 1956*, Chapter 1, and Section 4 below.

[27] It would be of interest to distinguish between the continuation of employment on reaching retirement age and the taking up of jobs by old persons previously not working. The latter category seems to be of particular importance in Hungary, where, during the period 1949 to 1955, as much as 42 per cent of the total gross intake into the non-agricultural labour force (37 per cent for men and 53 per cent for women) came from previously unutilized urban labour reserves. (*Adatok és Adalékok* ..., 1957).

The desire on the part of the old to continue working was largely matched by an obvious willingness on the part of enterprises and institutions to keep old workers on the job. This attitude, rather contrasting with western experience, stems from a number of causes. First, the widespread application of piece-rates in eastern European industrial enterprises means that an enterprise suffers little by employing marginal labour. Secondly, the relative stability, reliability and experience of the old as compared with younger workers more than compensates their diminished working capacity in the eyes of managements. Moreover, the widened opportunities for social advance, and the relative unimportance of grading when a premium is put on physical input, has so far made competition between the old and the young less acute than it is in most western countries.

Entry into Active Life

For the analysis of trends in the potential labour force it is customary to treat the age of 15 as the lower limit of the population of working age, and this principle has been followed in the preceding discussion. It is clear, however, that the incidence of gainful employment among young people up to the age of, say, 21 — but particularly in the ages 15 to 17 — is subject to considerable variations over time and between countries, these being a function of the employment structure (activity rates among youngsters being as a rule higher in predominantly agricultural economies) and of the spread of educational facilities associated with the degree of social advancement. At a somewhat higher age, civilian employment may become heavily affected by changes in the size of armed forces.

In eastern Europe such changes have contributed substantially to fluctuations of labour supply during the post-war period. The greater intake into military service in the years 1951 to 1953, and the lengthening of the period of service, was followed by partial demobilization in later years. On the whole, this cycle clashed with trends in labour requirements, since it reduced civilian labour at the time of peak demand and increased its supply as pressure on the labour market became apparent. The need for able-bodied young male workers was such, in the years 1950 to 1953, that army units were called in to perform such tasks as harvesting, flood control, road building and mining. Similar use of soldiers for work of this kind has, however, continued on a reduced scale even into the current period of easier labour supply in many countries partly because the marginal cost of employing them (in terms of addition to consumers' incomes) is nil, partly because lack of housing still makes it difficult to attract sufficient civilian labour to some enterprises.

A study of long-term trends in western Europe shows a marked decline in activity rates at ages 15 to 19 over the period 1930 to 1950;[29] and the impetus given to the expansion of secondary general education and vocational training, as well as to higher education, in all countries of eastern Europe and the Soviet Union since the war must have brought about similar results over this shorter period (see Annex Table VII-D). In Poland, for instance, school attendance at ages 14 to 17 increased from 14 per cent of the total population at these ages before the war to 40.7 per cent in 1949/50 and 44.4 per cent in 1954/55. In eastern Germany, some type of schooling, whether general or vocational, had in the late 1940s already become virtually compulsory up to the age of 17. In the Soviet Union, higher secondary schooling (covering roughly children aged 14 to 17) was stated to have become almost universal in the towns by the end of the Fifth Five-year Plan, and the directives of the Sixth Plan required the extension of universal secondary schooling to all rural areas.[30]

At the same time, the numbers of university and other higher school students in all countries were likewise expanding rapidly, to reach a peak around 1953 (see Annex Table VII-D). The " open gates " policy pursued in the late 1940s and early 1950s was pushed so far that in some instances virtually all graduates of secondary schools were admitted to higher schools and universities.[31] In the later years,

---

[28] The only country for which a comparison of activity rates at higher ages can be made is eastern Germany. These rates understate, however, the increase over the period covered, since the 1950 figures included those registered as temporarily unemployed:

Activity rates in eastern Germany

Age-groups	*1950*	*1956*
50-54	61.5	70.7
55-59	54.8	62.9
60-64	43.7	47.3
65 and over	16.5	18.6

Source : Statistisches Jahrbuch, 1956.

[29] See *Economic Survey of Europe in 1955*, Chapter 5.

[30] During the 1956 to 1960 period, 6.3 million pupils are expected to graduate from the secondary schools — i.e., more than twice as many as in the preceding five years.

[31] The following trends were registered in Hungary:

	1949	*1950*	*1951*	*1952*	*1953*	*1954*	*1955*	*1956*
	(Thousands)							
Graduates of secondary schools	18.0	16.4	17.2	17.7	23.7	26,5	30.7	28.5
Admissions to universities [a]	8.0	14.4	17.3	18.1	16.9	9.7	8.7	8.4

Source : Statistiszkai Êvkönyv, 1949–1955.

[a] A small part of university recruitment came from special courses organized for workers.

anxiety about the poor quality of university teaching, for which overcrowding was mainly blamed, coincided with some saturation of demand for young and inexperienced graduates and the number of admissions began to fall off.

Thus, for a large and growing section of young people the age of entry into the labour force has been gradually delayed. Repercussions of this tendency on the labour market are obviously beneficial in a situation of scarce employment opportunities, such as existed in eastern Germany in the late 1940s and is now developing in some other countries of the area. For most countries and during most of the post-war period, however, the extension of the school system and the progress in raising educational and vocational standards involved some sacrifice of potential labour. To offset such losses voluntary work of pupils and students was frequently encouraged, particularly at harvest time, and — as has already been mentioned — soldiers have also been called upon to provide supplementary labour.

2. EMPLOYMENT AND THE PROCESS OF INDUSTRIALIZATION

A major source of difficulty in analysing the trends in patterns of employment in eastern Europe since the war is that changes in occupational structures were interwoven with changes in employment status (e.g., from self-employed or family helpers to wage-earners), in the status of property (from private to co-operative and state ownership), and in the size of the enterprises. Unfortunately, the most reliable and detailed official statistics of occupational distribution refer to those categories of the labour force most influenced by non-occupational changes (e.g., to " wage-earners in large-scale state enterprises "); and data covering the whole working population — irrespective of employment status, property status or scale of enterprises — are scarce, involve considerable margins of error, and are not fully comparable either over time or from one country to another [32] (see Annex Table VII-E).

But, inadequate as they are, the available statistical data — supplemented by qualitative indications — permit at least a broad assessment of the changes in employment patterns that have taken place in recent years, both in eastern Europe and in the Soviet Union, though their limitations need to be borne in mind.

(i) Agriculture versus industry

The Shift away from Agriculture

As can be seen from the admittedly approximate estimates in Table 9, the change in employment patterns in these countries since before the war cannot be characterized as a simple reflection of a common experience of " industrialization ". The difference between the proportions of the working population employed outside agriculture in the least and in the most industrially advanced countries has lessened, but the eight countries still fall into three distinct groups: agricultural Albania, Bulgaria and Rumania; highly industrialized Czechoslovakia and eastern Germany; and, in an intermediate category, the other three countries.

The most marked shift away from agriculture since before the war has occurred in two countries in this last group — Poland and the Soviet Union — though the Polish figures tend to exaggerate the importance of the shift, since the 1931 data refer to pre-war territory which included more purely rural areas.[33] In the Soviet Union, the absolute level of agricultural employment was lower in 1950 than in 1940 (on the same territory), partly as a consequence of war losses among the rural population; but in both Poland

TABLE 9

Working population outside agriculture

Percentage of total working population

	Pre-war [a]	Immediate post-war [b]	1950	1955
Albania	..	..	15 [c]	25.4 [c]
Bulgaria	17.0	18.2	20.9	28.1
Czechoslovakia	62.0	58.6	61.4	66.9
Eastern Germany	79.9	72.5	74.1	79.4
Hungary	48.4	45.3	50.6	55.8
Poland	29.6	..	42.9	46.5
Rumania	18.6	23.7	26.5	31.0
Soviet Union	44	..	..	57

Sources : Annex Table VII-E.

[a] Bulgaria, 1934; Czechoslovakia, 1930; Eastern Germany, 1939; Hungary, 1941; Poland, 1931; Rumania, 1940; Soviet Union, 1937.

[b] Bulgaria and Czechoslovakia, 1948; Eastern Germany, 1946; Hungary, 1948; Rumania, 1948.

[c] Includes a negligible amount of employment in state farms.

---

[32] The last fully published occupational censuses were taken in 1947 in Czechoslovakia, 1949 in Hungary, 1950 in eastern Germany and Poland. The 1948 census in Rumania was never fully tabulated and the 1946 census in Bulgaria and the 1950 census in Czechoslovakia were not fully published. Finally, the last (only partly published) Soviet census was taken in 1939, and the estimates by the ECE secretariat shown in Annex Table VII-E are derived from rounded percentages referring to a total determinable only within a range possibly running into millions.

[33] According to a very rough estimate the share of the active population outside agriculture in 1931 adjusted to the present territory would have been between 40 and 42 per cent.

TABLE 10

Urban population in six countries

Index numbers [a] and percentages of total population

		Index numbers	Percentages
Albania	1923	51	15.7
	1950	100	20.5
	1955	153	27.5
Bulgaria	1939	73	22.6
	1950	100	26.7
	1956	131	33.5
Hungary	1941	101	36.2
	1949	100	36.3
	1956	120	40.6
Poland	1931 [b]	89	27.8
	1950	100	40.0
	1955	131	43.8
Rumania	1941	103	23.6
	1948	100	23.4
	1956	147	31.3
Soviet Union	1940	90	31.6
	1950	100	37.3 *
	1956	130	43.4

Sources : Statistical yearbooks and direct communication from governments.

NOTE. — Definition and coverage vary from country to country and sometimes also over time.

[a] 1950, or nearest available year = 100.

[b] Pre-war territory.

and the Soviet Union there was also a large genuine shift of employment away from agriculture which would have been impossible without the remarkable increase in employment opportunities in other sectors occasioned by the expansion of industry.

The employment pattern in Hungary was not affected by territorial changes or by war-time losses of lives, but diminution of industrial capacity and the effects of land reform brought about a rise in the share of the active population working in agriculture in the immediate post-war years, and a similar development occurred also in Czechoslovakia and in eastern Germany. Subsequently the movement away from agriculture in Hungary seems to have been more important than in any other eastern European country, and brought about an absolute decline in agricultural employment up to 1954 despite a quick expansion of the total working population. This decline has, however, since been reversed.

Developments in the other countries have one feature in common: the share of the active population working in agriculture declined between 1948 and 1953, but has been practically stable since.

Migration from Rural to Urban Areas

The movement from agriculture to other occupations has been accompanied by increased urbanization of the population in the less industrially developed countries (see Table 10), though the statistics certainly exaggerate the real movement from the countryside to the towns. Administrative changes (enlargement of urban areas by the amalgamation of the neighbouring districts and the re-designation of hitherto rural areas as urban districts) contributed to a very large extent to the growth of " urban " population in Poland, Rumania, the Soviet Union and possibly Bulgaria.[34]

Indications of the extent of the actual transfers of population to the towns exist only for Poland, Hungary and the Soviet Union. During 1949 to 1955 internal migration accounted for only 740,000 of the rise in the urban population in Poland, as compared with increases of nearly 1 million resulting from administrative reclassification and of about 1.2 million from natural growth (see Table 11). In Hungary, where administrative changes did not significantly influence the apparent movements after 1949, out of the 535,000 increase in urban population from 1949 to 1954 only

TABLE 11

Rural/urban migration in Poland, 1949 to 1955

Thousands

Year	Area	Net migration	In-migration	Out-migration
1949/50 . .	Rural	−170	646	816
	Urban	+170	713	543
1950 . . .	Rural	−187	..	..
1951 . . .	Rural	−161	..	..
1952 . . .	Rural	−131	..	..
1953 . . .	Rural	−108	603	711
	Urban	+108	746	638
1954 . . .	Rural	−102	673	775
	Urban	+102	786	684
1955 . . .	Rural	−51	721	772
	Urban	+51	719	668
1950-55 .	Rural	−740	..	..

Sources : *Nowe Drogi*, No. 2, 1956; statistical yearbook, 1955 and 1956, and *Wiadomości Statystyczne*, No. 4, 1957.

---

[34] Thus in Poland between 1949 and 1955 the area of some larger towns increased as follows: Warsaw 200 per cent, Bialystok 82 per cent, Zabrze 80 per cent, Katowice 55 per cent, Lublin 47 per cent. In Rumania, the 1956 census recorded 245 localities as " urban " as against 189 in the 1948 census.

172,000 was provided by net in-migration and the rest by natural growth. Out of an increase of about 15 million in the town population of the Soviet Union between 1951 and 1955, about 9 million persons — or the equivalent of the natural increase in the rural population — came from the countryside.[35]

This resumption of migration to the towns, which had been very important in the Soviet Union during the 1930s, was encouraged by a number of factors. Many of the refugees moved to rural areas during the war must have returned to their former urban domiciles and were joined by repatriated prisoners of war and demobilized soldiers of peasant stock who took the opportunity to move into the towns. The years 1946 to 1950 witnessed also the peak of activity of the Labour Reserve schools which graduated about 3.4 million persons, mainly of rural origin. Moreover, shifts from the countryside must also have been encouraged by the very wide difference between rural and urban incomes throughout the post-war years. As the outcome of these factors, the rural population was 18 million less at the beginning of 1950 than in 1940 whereas the urban population had risen from 61 million to 67 million. But by 1954 net emigration from the countryside had been halted as a result *inter alia* of the reverse movement induced by the virgin lands campaign.

In some of the eastern European countries — Hungary, Rumania and Poland in particular — the increase in the population of towns was very uneven, with a rapid growth of population in the industrial centres, including the capitals. The concentration of industrial investment in large enterprises — sometimes in the existing industrial towns, sometimes in completely new industrial centres established in country areas — and the decay of many small private industrial and handicraft enterprises and of services such as tourism, trading and frontier traffic, brought about a stagnation or decline of many small towns while the larger industrial cities grew. The populations of the capitals were, of course, sustained or expanded not only by the effects of industrial development but by the growth of the central administrative machines. As in the Soviet Union, better supplies of goods in the large cities also added to their attraction.

Thus in Hungary, within a total increase of the permanent town population outside Budapest by 9 per cent between 1949 and 1954, nine of the predominantly industrial towns showed an increase of almost 50 per cent (184,000 to 271,000), whereas twelve typical rural towns showed a decrease by nearly 5 per cent.[36] In Rumania, 21 industrial towns showed a population increase of 43 per cent between 1948 and 1956 (when they had more than 1 million inhabitants), whereas in the 15 other towns with more than 25,000 inhabitants in 1956 (apart from Bucharest) the increase was only 16 per cent, and in the smaller towns even less. A similar contrast between the proportionate rates of growth of large and of small towns is apparent in Poland where "the crisis of small towns" has been a feature of post-war developments.[37]

In all the countries of the region, the authorities tried to counterbalance this trend by establishing systems of special permission for residence in the capital and other industrial towns, which is granted only in well-substantiated cases; and persons whose presence in the towns was not justified by the nature of their employment have been induced to move out.[38] On the whole, these administrative measures seem not to have been very successful, especially in the capital cities.[39] There has therefore been a particularly sharp deterioration in housing standards in most large towns, even though many of the workers employed in them still live elsewhere and are obliged to travel long distances to their places of work.[40]

In Czechoslovakia and eastern Germany, the situation is rather different from that of the other eastern European countries; and in Czechoslovakia there is a striking contrast between Slovakia and the Czech lands. In Slovakia the growth of towns was not interrupted by the war, and continued thereafter with a heavy concentration on Bratislava, the regional capital. In the Czech lands, however, a reduction in the total town population, as a result of the post-war expulsion of Germans, was concentrated on towns with less than 50,000 inhabitants (see Table 12); and after 1950 the increase in the urban population affected towns of between 20,000 and 100,000 inhabitants. Migration towards the larger towns was brought to a standstill, and between 1954 and 1957 they had even a net emigration of more than 10,000 persons. This result can be attributed mainly to strict residence controls combined with a systematic policy

---

[35] N. Khrushchev, *Pravda*, 3 February 1955.

[36] Rural towns in Hungary include localities with a small genuinely urban core but with a large periphery of sparsely populated countryside contained within the "urban" area.

[37] See *Economic Bulletin for Europe*, Vol. 8, No. 3, p. 38.

[38] Official policy has fluctuated in Albania. In November 1954, a development plan for Tirana envisaged a 50 per cent increase in its population over 20 years: in October 1956, official criticism of migration to the capital was followed by the announcement of a scheme to provide credits for town dwellers who would resettle in agriculture.

[39] This problem has been particularly serious in Hungary, Bulgaria and Rumania.

[40] In five growing industrial towns in Hungary, for each addition to the stock of dwellings between January 1949 and July 1954 (nearly all of only one or two rooms), the number of inhabitants rose by between 6 and 9 persons. Moreover, according to a survey in January 1954, 258,000 workers were taking daily or weekly train journeys to their work, in addition to those who travelled by buses, which carry the bulk of semi-local traffic.

TABLE 12

Population of Czechoslovak towns

Thousands and index numbers

Size of localities	1930	1950	1957	1950 (1930 = 100)	1957 (1950 = 100)
		Thousands			
Czech lands					
10,000 and below 20,000	542.4	518.5	571.6	95.6	110.2
20,000 — 50,000	732.2	629.4	728.7	86.0	115.8
50,000 — 100,000	369.9	371.4	436.9	100.4	117.6
100,000 and above	1 437.5	1 525.6	1 618.5	106.1	106.0
Total . . .	3 082.0	3 044.9	3 355.7	98.8	110.2
Slovakia					
10,000 and below 20,000	188.7	211.5	261.2	112.1	123.5
20,000 — 50,000	167.2	178.9	240.8	107.0	134.6
50,000 — 100,000	70.1	62.8	79.5	89.6	126.5
100,000 and above	156.4	192.9	246.7	123.3	127.9
Total . . .	582.4	646.1	828.2	110.9	128.2

Source: Statistický Obzor, No. 10, 1957.

of removing from the cities people whose presence is considered as economically not indispensable; and the resettlement of these people was to some extent facilitated by the existing housing and industrial facilities of the small Sudete towns, some of which have still not regained their pre-war populations.

In eastern Germany, post-war developments have not counterbalanced the de-urbanization caused by the war. The effects of the air raids on some large cities — especially Berlin, Dresden and Magdebourg — were aggravated by the decay of traditional industries such as services in Berlin, textiles in Chemnitz, printing and publishing in Leipzig or printing machinery in Plauen. Other relatively large cities naturally benefited from dynamic industries (ship-building, chemicals, heavy engineering), but the bulk of the new industries were sited in small and middle-sized towns.

Population by size of localities [a] in eastern Germany

Size of locality [b]	*1939 percentage of total population*	*Changes 1939 to 1955 in thousands*	*1955 percentage of total population*
Above 100,000 . .	27.2	−700	21.6
50-100,000	5.1	+65	5.1
10-50,000	21.0	−325	21.6
Below 10,000 . . .	46.7	+1 397	51.7
TOTAL	100.0	+1 087	100.0

[a] In each category, the same localities are included in 1939 and in 1955.

[b] All cities with a population exceeding 100,000 in either 1939 or 1955 are shown in the "above 100,000" class. All others are classified according to their size in 1955.

Moreover, rural and semi-rural housing standards were quite good before the war in eastern Germany and, as they have deteriorated relatively little since, they are now better than urban standards. As a result, people prefer to travel to their jobs rather than to move to the large towns. The existence of "travelling workers" (*Arbeitspendler*) tends thus to become a nation-wide problem, aggravated by the inadequate transport facilities.[41]

In Czechoslovakia and eastern Germany, the distinction between an urban and rural place of residence has for long been no guide to the occupation followed, and in fact these two countries do not produce any "urban" and "rural" classifications of their populations. In the other eastern European countries, this classification has become a less reliable indication of the shares of the agricultural and non-agricultural populations than it was before the war, partly because of changes in area classification and partly because more people living in rural areas now work in the towns or in the new industrial centres which are in some cases themselves classified as "rural". [42]

---

[41] In the neighbouring chemical plants of Leuna and Buna only about 6,600, or 15 per cent, of the staff live in Leuna or Schkopau (the city where Buna is located). The others travel distances between 3 and 70 kilometres, with an average daily travel of 2½ hours and a maximum of 5 hours (W. Brunk, *Probleme des Pendlerverkehrs*, Berlin, 1957). The very low price of workers' season tickets, or even their actual reimbursement by many enterprises, constitutes no incentive to live nearer to the working place.

[42] In Rumania, however, administrative reclassification has resulted in an increase in the share of the "urban" population working in agriculture.

The Peasant-Workers

Moreover, there now exists a vast intermediate category of "peasant-workers", very important in the less developed countries of eastern Europe, but which has appeared also in eastern Germany and Czechoslovakia. Such a transitory social category is an unavoidable by-product of industrialization in countries where small-holdings in agriculture are frequent, and is well known in some regions of France and Italy. In eastern Europe it has reached very large proportions. To some extent this development was due to the scarcity of food in towns in the early 1950s; but even more important was the fact that steeply progressive compulsory deliveries and taxes resulted in the combined agricultural and non-agricultural income of peasant-worker families with uneconomically small farms being set much higher than the incomes of some genuine farmers with larger holdings, and also higher than those of skilled workers.

The number of peasant-workers seems to be particularly important in Poland, where their present numbers are estimated at between 900,000 and 1,200,000, and employment outside the farm appears to be usual for the overwhelming majority of small-holders. According to a survey taken in 1954, nearly 80 per cent of small-holders in the western territories had an additional occupation.[43] In Hungary, as in the other countries, small-holders who work outside their farms take up employment in the state sector of agriculture, or even in larger private farms, as well as outside agriculture. The total number of them is extremely high, but the proportion of those who work outside agriculture varies constantly. In coal mining, where their share in total employment was highest, a government decree in early 1952 obliged them to give up their land altogether and some 20,000 hectares were surrendered to the State. Subsequently, however, new peasants were recruited for coal mining, and others claimed back their land. No data are available for Rumania and Bulgaria, where peasant-workers seem to be at least an equally important group, since the inhabitants of the mountainous regions mainly engaged in forestry can more easily be absent from their holdings in summer.

The effects of the employment of peasant-workers on the non-agricultural labour market have been twofold. Firstly, a large reservoir of manpower was opened (mainly for building and mining), which could be tapped with relative ease and little cost, except for transport, since peasant-workers do not exert additional pressure on housing facilities nor a very strong one on the urban food market. These qualitative advantages have to be set against the generally low skill of the peasant-workers, their normal lack of interest in any improvement and — still more important — against the element of extreme instability introduced by them into the industrial labour force.[44]

Problems of Agricultural Labour

In most countries of eastern Europe the movement of labour from agriculture to other occupations during the post-war period has served to reduce rural over-population, already lessened to some extent by war-time losses, territorial changes and the post-war land reforms,[45] though it has created other problems. Czechoslovakia, moreover, lost a substantial rural population through the expulsion of Germans, while the loss of Sub-Carpathia deprived it of the main source of seasonal labour for the rest of the country. Eastern Germany, by contrast, had a huge influx of agricultural labour immediately after the war that could be absorbed only thanks to the land reform, and for a time this compensated for the loss of the traditional imports of seasonal workers.

Table 13 summarizes the only agricultural labour statistics which can be used for comparison over time and between countries. It shows that, even taking

---

[43] See M. Dziewicka, "Peasant-workers — a new social group in Poland", *International Social Science Bulletin*, No. 2, 1957, UNESCO. In Poland, the absolute number of farms between 0.5 and 3 hectares increased between 1950 and 1954 by 70,000, or 7 per cent. In Hungary the number of farms below 1.7 hectares increased between 1949 and 1955 by 87,000, or 15 per cent.

[44] The Director-General of the International Labour Office, speaking of under-developed countries elsewhere than in eastern Europe, stated; "The cityward migration is typically unorganized and haphazard; the worker is unskilled and remains unskilled; he has no knowledge of employment possibilities; he has no experience of industrial work. Frequently he leaves his family behind in the village and retains close ties with them and a feeling of belonging to the land. . . . There is a continual drifting back and forth between countryside and city by an unskilled, unstable labour force, which brings no lasting benefit to industry, to agriculture, or to the worker himself; not to industry because of the instability and high rate of absenteeism and of labour turnover; not to agriculture because the worker is not on his farm long enough or continuously enough to farm well; not to the worker because this drifting back and forth costs time and money and prevents him from establishing himself anywhere with any degree of permanence" (Cf. *Report of the Director-General*, International Labour Conference, 39th Session, Geneva, 1956, pp. 64-65).

[45] According to the calculations of W. E. Moore (*Economic Demography of Eastern and Southern Europe*, League of Nations, Geneva, 1945), the theoretical pre-war surplus of agricultural population was as follows (as percentage of actual agricultural population around 1930) :

	A	B
Bulgaria	53.0	35.7
Czechoslovakia	−4.7	11.7
of which : Czech lands	−45.3	−5.0
Slovakia	39.1	27.5
Sub-Carpathia	58.3	47.5
Hungary	22.4	2.9
Poland	51.3	29.4
Rumania	51.4	23.1

A = Assuming existing production and European average per capita level of output.

B = Assuming French productivity per hectare of land and European average per capita level of output.

TABLE 13

Male workers in agriculture

Thousands, and numbers per hundred hectares of agricultural land

	1930		Early post-war [a]		1955	
	Thousands	Number per 100 ha	Thousands	Number per 100 ha	Thousands	Number per 100 ha
Albania	250	21	300	25	280	23
Bulgaria	1173 [b]	28				
	1350 [c]	29	1600	33	1500 *	31
Hungary	1552	21	1511	21	1342	19
Poland	5636 [b]	22				
	4200 [c]	20	3408	17	..	..
Rumania	4064 [b]	21				
	3260 [c]	22	3325	23	..	..
Czechoslovakia	1579 [b]	19				
	1367 [c]	18	1123	15	900	12
Eastern Germany	829 [c]	12	1047	16	859	13

Sources: W. E. Moore, op. cit.; F. Dovring, *Land and Labour in Europe 1900–1950*, The Hague, 1956, p. 66; national statistics.

[a] 1946 in eastern Germany, 1947 in Czechoslovakia, 1948 in Bulgaria, 1949 in Hungary, 1950 in Albania, Poland and Rumania.

[b] Contemporary boundaries.

[c] Post-war territory.

into account different levels of productivity and different labour intensities of patterns of output, these countries now fall into three groups if classified by agricultural density.[46] In Czechoslovakia and eastern Germany there is, in fact, an over-all shortage of labour at present levels of productivity, aggravated by the qualitative deterioration of the agricultural labour force. In Poland, Hungary and possibly also Rumania, the problem is rather one of peak-time shortages in some regions and in the socialist sector, co-existing with surpluses elsewhere. Over-all labour surplus persists only in Bulgaria and possibly Albania.

Generally, the bulk of the shift away from agriculture occurred through young people from farm families not taking up agricultural work after leaving school or the army, though there were also some genuine transfers of people already working in agriculture. The movement of young people away from the farms was particularly striking in Poland. There, the number of school leavers of agricultural origin taking up work outside agriculture during the years 1950 to 1955 can be estimated at 300,000 or more, while genuine transfers of workers from agriculture can hardly have accounted for more than 150,000 excluding peasant-workers.

The impact of the deterioration in the quality of the labour force has naturally been most important in those countries where there is a quantitative shortage. In Czechoslovakia the share of men in the active agricultural population decreased from 58 per cent in 1930 to 51 per cent in 1947 and less than 45 per cent in 1955, while the age structure was constantly deteriorating. In eastern Germany there was no significant change in the sex ratios of the agricultural labour force as compared with pre-war, but the age structure has noticeably worsened since 1953 and is almost certainly much less favourable now than before the war.

Age distribution of the active population in agriculture

Percentages

	Czechoslovakia			*Eastern Germany*		
Age group	*1930*	*1949*	*1953*	*1950*	*1953*	*1956*
15-19	13.3	3.6	4.9	46.7	43.3	41.9
20-29	23.3	19.7	14.6			
30-39	19.0	19.2	14.2			
40-49	16.7	26.5	26.1	22.7	24.7	19.4
50-59	14.6	19.5	22.7	18.6	19.4	24.3
60 and over	13.1	11.5	17.5	12.0	12.6	14.4
All above ages	100.0	100.0	100.0	100.0	100.0	100.0

Sources: Ekonomický Časopis (Bratislava), 1954, Vol. II, No. 4, and eastern German statistical yearbooks.

Throughout eastern Europe the effects of labour shortage or of the loss of young workers from agriculture were felt most acutely by the state and collective farms, but also by the machine and tractor stations which tended to attract young people only for a short period before they left to go into industry. The need to call on emergency seasonal labour, such as students and soldiers, to help with the harvest is a feature of the socialist sector of agriculture throughout eastern Europe, and even teams of industrial workers are mobilized in eastern Germany and Czechoslovakia.

In Poland, with some continuing labour surplus in the private sector, the regular labour force of state farms fell from a yearly average of 13½ workers per 100 hectares in 1949/50 to 11½ in 1952 and reached 14 in 1955 as compared with 20 estimated to be required for efficient working.[47] The explanation of this situation lies not only in poor living and working conditions on state farms, and in low wages, but also in the traditional antipathy to the social status of a "farm-hand". Work on state farms has been considered as one of the worst occupations for young people, only to be accepted as a transitional job before finding a non-agricultural occupation.

---

[46] The use of agricultural land in the calculation tends to underestimate the density for those countries (Poland, Rumania) where the share of arable land in the total is smaller. No account is taken of the quality of land or of productivity per man. In Poland no estimate for 1955 can be made because of the peasant-workers, but it is likely that the number of full-time active males in agriculture is much smaller than in 1950.

[47] *Ekonomista*, No. 3, 1957.

In eastern Germany, where state farms are few, the labour shortage was concentrated on co-operative farms; and the share of young people up to age 18 in co-operative farm membership fell from 7.3 per cent at the end of 1954 to 4.4 per cent in March 1957.[48]

Working population per 100 hectares of agricultural land in eastern Germany

	1953	*1954*	*1955*	*1956*	*1957*
Co-operative farms . . .	18.1	18.9	18.2	16.3	14.2
Private farms	27.4	25.1	27.1	25.4	26.0

Sources: Statistical yearbooks and *Neues Deutschland*, 27 September 1957.

In Hungary the evolution was fairly similar up to 1953,[49] when the change in agricultural policy reversed agricultural depopulation so that 60,000 workers returned to agriculture between July 1953 and April 1954. This put an end to the worsening of the sex and age structure; but labour shortage in collective and state farms continued to be felt. State farms had no special difficulties in finding permanent labour if they had living accommodation to offer (which was not always the case); but they were unable to compete for seasonal workers with other sectors of agriculture and with industry.

Serious regional disproportions have also complicated the problem of agricultural labour supply. In the border areas of Czechoslovakia almost half a million hectares of land continue to lie fallow mainly for lack of manpower; and there is also a marked contrast between labour densities in the Czech lands and in Slovakia, which is not sufficiently compensated through either temporary or permanent migration.[50] The main reasons for this seem to be, on the one hand, that young Slovaks ready to leave their villages have found ample employment opportunities outside agriculture and, on the other, that resettlement schemes in the depopulated areas based on private family farms were discontinued in the early 1950's since they conflicted with the ultimate aim of collectivization. Similar reasons explain the maintenance of contrasting densities in Polish agriculture between the western territories and the over-populated southern and south-eastern provinces. In Rumania, the traditional flow of seasonal migrants from the mountainous regions to the great domains (now collective farms) of the sparsely populated south-east was disrupted, and practically no resettlement took place. In Bulgaria the practice of teams of peasants following the harvest season from one region to another was likewise brought to an end by the inability of the collective farms to hire labour, and only recently has an attempt been made to revive the former tradition to some extent.

It is thus almost true to say that because of ample employment opportunities for young people outside agriculture and natural aversion for resettlement, reinforced by official indifference or even hostility, it has proved easier to shift manpower out of agriculture than to move it from one farm to another; and after 1953 the solution of the manpower shortage of the socialist sector was in fact sought in sending back industrial workers to the countryside rather than in shifts within agriculture itself.

The labour problem of Soviet agriculture combines some of the features of those of eastern Europe with other special characteristics. In the European regions, the over-all density of the rural working population seems to have been above that of eastern Germany or Czechoslovakia, in spite of a much less intensive cropping pattern and much more mechanization. As in these two countries, the deterioration of the age structure of the agricultural population had a serious impact on the quality of the labour supply, and this was aggravated by a worsened sex ratio. Moreover, the differential labour densities between the private and the socialist sectors in eastern Europe have been matched in the Soviet Union by a tendency for a disproportionate share of effort to go into cultivation of private plots rather than of collectively cultivated land.[51] Finally, the institutional rigidity of the fully collectivized agriculture prevented the smoothing of labour densities both within regions and within the country as a whole.[52]

(ii) Changes in the structure of employment outside agriculture

In all eastern European countries the number of wage-earners outside agriculture increased more quickly after the war than the number of all active people outside agriculture, especially in the late 1940s and the early 1950s (see Chart 7 and Annex Table VII-E). This reflected the rapid decrease in the numbers of self-employed and family helpers who, by 1953, had practically disappeared except in eastern Germany.

---

[48] *Vierteljahreshefte zur Statistik*, No. 2, 1957, p. 45.

[49] " The overwhelming majority of the 360,000 peasants who left the countryside between 1949 and 1953 were young people. Consequently, in collective farms and small-holdings a general aging took place which had strong effects on production.... Particularly before 1953 one would see many co-operative farms where there were hardly any young people at all." *Társadalmi Szemle*, 1954, No. 8-9, pp. 64-65.

[50] In 1957, density was about 22 permanent labour force per 100 hectares in the Czech lands and 28 in Slovakia, and the age and sex structure in Slovakia was much more favourable.

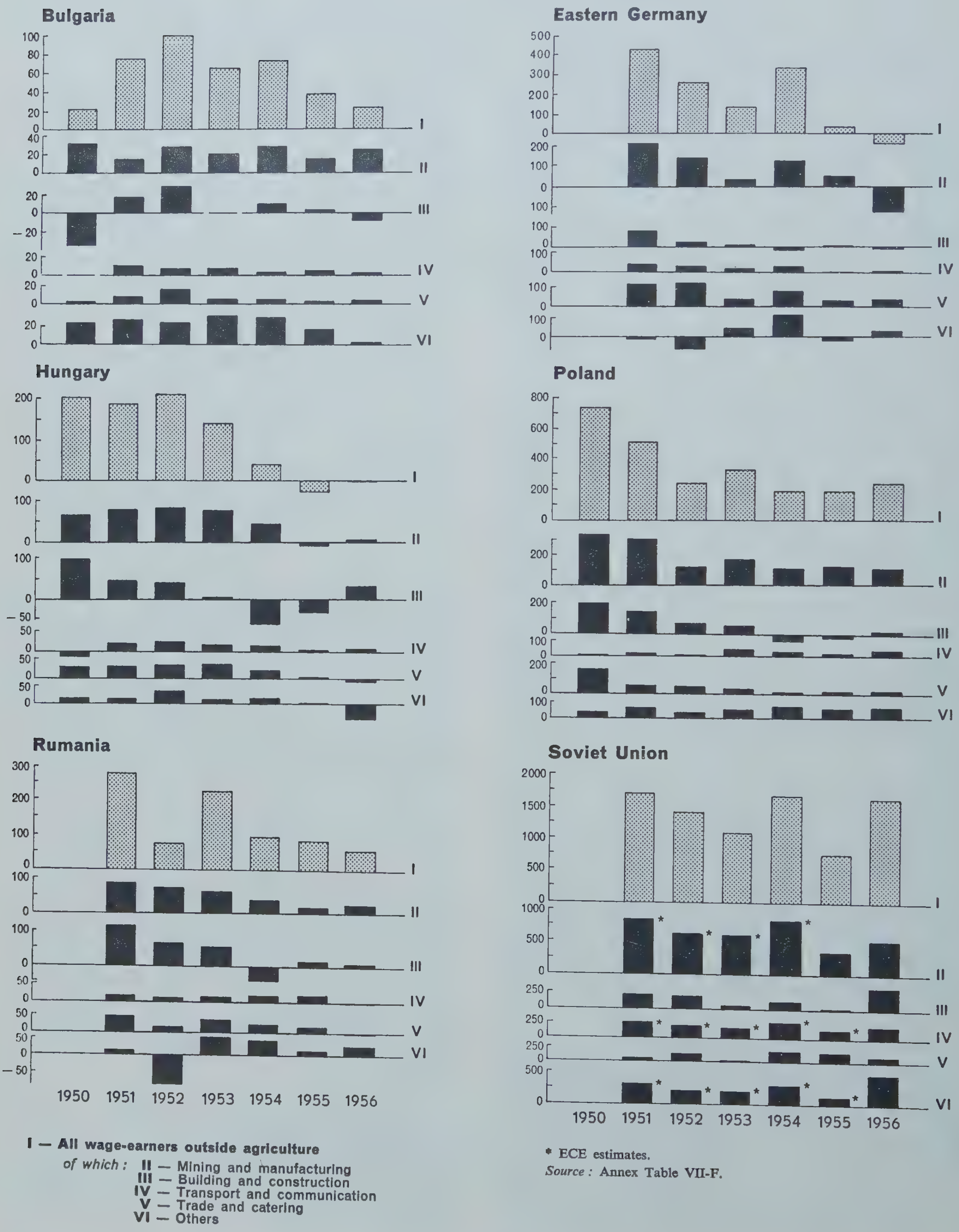
[51] See *Economic Survey of Europe in 1956*, Chapter I, pp. 27-30.

[52] On the collective farms of Byelorussia the number of hectares per one able-bodied farmer varies from one to 15 and more; and it is characteristic that manpower diminishes on those farms which need labour most. (*Voprosy Ekonomiki*, No. 6, 1957. For a similar situation in Soviet Central Asia, see *Economic Bulletin for Europe*, Vol. 9, No. 3).

CHART 7

Annual changes in average numbers of wage-earners outside agriculture in eastern Europe and the Soviet Union

Thousands



* ECE estimates.

Source : Annex Table VII-F.

TABLE 14

Employment in manufacturing handicrafts in eastern Europe

Thousands

	1948	1952	1955
Bulgaria			
Private	.. [a]	36	43 [b]
Co-operative	47	65	73 [b]
Total	..	101	116 [b]
Czechoslovakia			
Private	459	54	30 [c]
Co-operative	233	196	188 [c]
Total [d]	692	250	218 [c]
Eastern Germany			
Total [e]	618 [f]	603	590
Hungary			
Private	273	69	76
Co-operative	—	63	114
Total	273	132	190
Poland			
Private	300	132	130
Co-operative	—	..	67
Total	300	..	207
Rumania			
Private	228	79	129
Co-operative	—	104	128
Total	228	183	257

Sources: Statistical yearbooks and direct communication from the Bulgarian and Polish Governments.

NOTE. — Some figures are yearly averages; others refer to particular dates.

[a] Private handicrafts in 1940 accounted for about 100,000 workers.
[b] 1954.
[c] 1956.
[d] Including local industries.
[e] Practically all private.
[f] 1950.

The elimination of this type of employment was related both to the nationalization of private firms and to the gradual stifling of family enterprises and other small ventures in manufacturing, building and trade. In the less industrialized countries, handicraft co-operatives took over part of the activity of private handicrafts (see Table 14), but nowhere, except in Bulgaria, did total employment in private and co-operative handicrafts reach the pre-war or even the immediate post-war level. The decline of small-scale industrial employment in Czechoslovakia is particularly striking and contrasts with the small change in employment in east German handicrafts.

The general fall in employment in handicrafts and family enterprises, and the tendency also for home industries to give way to factory employment, to some extent corresponds to a mobilization of labour reserves for higher-productivity occupations. But it also involved the suppression of employment opportunities for numerous people who were unable to seek work as wage-earners in large enterprises or, if they did, had only a very low productivity. The suppression of these employment opportunities naturally had the most unfavourable effects in countries where labour supplies were abundant and the need for mobilization of labour reserves was least; but even in Czechoslovakia, where labour is short, it led to local unemployment.[53]

In Bulgaria, Hungary and Poland there has been some revival of employment of home-workers and in private handicrafts in recent years, and in eastern Germany the proportion of home-workers both in socialist and in private industry was rising at least until 1955:

Home-workers per hundred employed

	1953	*1954*	*1955*
All industry	2.4	2.6	2.8
Clothing	19.7	20.8	21.2
of which: socialist	6.1	6.9	7.7
private	35.6	38.9	38.9

Source: Vierteljahreshefte zur Statistik, No. 2, 1957.

Industry, Distribution and Services

Changes in the basic occupational structure of the working population outside agriculture are summarized in Table 15. Despite the imperfections of the data (indicated in the footnotes to the table and in Appendix B) they do permit reasonably valid comparisons both of the pre-war and post-war situations in any country and of the structure in different countries, since the main distortions present in data on over-all activity — stemming from varying concepts of activity in agriculture — have been eliminated. The classification under " distribution " or " services " has had to be adapted to the nature of the data; but in general " distribution " covers services directly related to the distribution of goods and " other services " is a residual covering administration, health and education and many other service occupations.

As might be expected, the rate of growth of tota non-agricultural employment has, in general, been closely related to the magnitude of the increase in the share of industry in this sector; and this emerges both from inter-country comparisons and from a study of trends over time. In eastern Germany and Czechoslovakia, where non-agricultural activity has hardly

---

[53] Even in recent months there have been complaints that suppression of small industries has led to unemployment in north-eastern Bohemia since the dismissed workers, and especially women, could not be transferred to distant places where employment was available (*Rudé Právo*, 9 October 1957).

TABLE 15

Structure of working population outside agriculture in eastern Europe and the Soviet Union

Percentages

		Industry [a]	Distribution [b]	Other services [c]
Bulgaria	1934 [d]	50.0	19.3	30.7
	1949	57.0	17.3	25.7
	1950	55.6	16.8	27.6
	1953	54.4	18.1	27.5
	1956	54.5	17.5	28.0
Czechoslovakia	1930 [d]	61.4	18.2	20.4
	1948	59.4	22.3	18.3
	1950	59.6	21.9	19.5
	1953	61.1	20.1	18.8
	1956	60.5	20.1	19.4
Hungary	1941 [d]	49.1	18.6	32.2 [e]
	1948	46.8	20.8	32.4 [e]
	1950	46.8	19.6	33.6 [e]
	1953	53.5	18.9	27.6 [e]
	1955	53.1	21.0	25.9 [e]
Eastern Germany	1939	60.7	22.3	17.0
	1946	58.4	21.3	20.3
	1950	59.5	20.5	20.0
	1953	60.4	22.3	17.3
	1955	59.3	22.7	18.0
	1956	58.2	23.2	18.6
Poland	1931 [d]	53.6	24.4	22.0
	1931 [f]	50.2	27.2	22.4
	1950	53.6	20.9	25.5
	1955	57 *	20 *	23 *
Rumania	1931	42.2	23.8	34.0
	1950	54.5	15.5 *	30.0 *
	1953	57.0	16.5	26.5 *
	1955	56.5	18.5	25.0 *
Soviet Union	1937 [g]	55	20	25
	1940	53	19	28
	1955 [g]	54	19	27

Sources : Annex Table VII-E.

[a] Mining, manufacturing, building and handicrafts.

[b] Transport and communications, trade and catering.

[c] Obtained by difference.

[d] Including unemployed.

[e] Including the armed forces.

[f] Excluding unemployed.

[g] Derived from rounded percentages.

regained the pre-war levels, the shares of industry also lag behind, although they are still the highest in eastern Europe. In the other countries, except Bulgaria, industry increased its share up to 1953, but this then levelled off or even fell, largely on account of building. A similar, but even more marked, falling off in the share of industry from its post-war peak occurred in Bulgaria, but earlier than in the other countries. This reflected a drastic fall in employment in building (included in the " industry " category) following the end of the first " investment boom " in 1949.

As a result of these changes, the differences in the shares of industry from one country to another are much less than they were before the war,[54] and the differences from some western European industrial countries — including western Germany, Sweden and Switzerland — are also relatively slight.

The changes in relations between " distribution " and " other services " seem in most countries to have fallen into two periods after the war. Up to 1953 distribution lost ground, mainly on account of trade, in favour of other services [55] — noticeably the administrative, health and education services. After 1953, quickly increasing employment in trade coincided with campaigns against " bureaucracy ", which produced some reductions of administrative employment.

It would be misleading, however, to regard the growing employment in other services, as shown in Table 15, as indicative of the " bureaucratization " of employment. This category includes health and education as well as administration proper, and expanding employment corresponds to some extent to the improvement in health and educational standards; but, on the other hand, only central and local administration comes under this heading and not administrative work in enterprises.

It is clear that, until very recently, administrative staffs at the enterprise level also grew in all eastern European countries, both absolutely and in relation to the numbers of manual workers, though the high proportion of non-manual workers in Soviet industry before the war has been reduced during the post-war period. The trends in eastern Germany are illustrated by the figures in Table 16: the less abundant data for other countries, which permit only limited inter-country comparisons, show the following changes:

Share of non-manual workers in industrial wage-earners

Percentages

	Pre-war	*Late 1940s* [a]	*1956*
Bulgaria	..	19.4	19.2
Czechoslovakia	10.7	17	24
Hungary	6.2	15.6	13.4
Poland	8.4	11.8	16.7
Rumania	6	22.5	16.7
Soviet Union	24	20	18

[a] Czechoslovakia 1948; Bulgaria, Hungary, and Poland 1949; others 1950.

---

[54] The Hungarian percentages for industry and distribution are too small because of the inclusion of the armed forces under " other ". If the armed forces are excluded, the 1941 figures would read 55.0, 19.8 and 25.2 respectively. A rough adjustment would give around 57, 21 and 22 for 1953.

[55] The decline of " other services " from before to immediately after the war was mainly the result of the elimination of domestic service.

TABLE 16

Employment in the socialist sector in eastern Germany

Index numbers (1950 = 100)

	Total employment	Workers in production	Administrative personnel	Technicians	Auxiliary personnel
			Industry		
1951 . .	114.9	110.8	119.8	122.2	109.2
1952 . .	127.3	120.7	143.6	144.0	121.9
1953 . .	137.6	129.8	168.5	162.1	144.2
1954 . .	145.4	135.4	185.7	170.4	205.7
1955 . .	141.7	135.2	179.4	166.4	143.8 [a]
			Building		
1951 . .	170.3	164.9	195.1	203.2	184.5
1952 . .	197.0	179.2	283.2	318.7	279.7
1953 . .	196.6	167.5	321.0	385.2	255.8
1954 . .	187.2	155.6	297.3	348.4	387.6
1955 . .	170.4	141.1	263.2	312.1	292.0 [a]

Source : Statistische Praxis, No. 8, 1956, p. 109.
[a] Excluding guards at enterprises.

It is impossible to say to what extent these trends represented a wasteful increase in the industrial bureaucracy. The optimum proportion of non-manual workers to manual workers in industry at any particular stage of a country's industrial development cannot be determined, and the actual growth of the share of non-manual workers in eastern European industrial employment reflected to some extent a highly desirable growth of the supply of technicians. This seems, in fact, to have accounted for most of the decrease in the share of manual workers in the labour force of Polish industry between 1950 and 1955, and it was also important in eastern Germany. In Czechoslovakia the share of technicians in total employment in building and construction rose from 7 per cent to more than 10 per cent between 1948 and 1956, while the share of clerical and managerial staff increased from 4 per cent to nearly 7 per cent.

To some extent, moreover, the transition from a private enterprise to a centrally planned economy is bound to involve an increase in the numbers of administrators; but a widespread belief gradually developed, both in eastern Europe and in the Soviet Union, that the proliferation of staffs in industrial management and in government had gone too far. Since 1953, more or less energetic campaigns have therefore been undertaken in nearly all countries to reduce " bureaucratic " employment, especially in the central administrations.

In the Soviet Union global administrative employment, having regained the pre-war peak of 1.8 million in 1950, grew to 2.2 million in 1953, but had dropped to 1.3 million by 1956.[55a] In Hungary, 19,288 clerks and others were dismissed in the first quarter of 1957, and total administrative employment fell by 6 per cent as compared with the first quarter of 1956.[56] In Bulgaria a 30 per cent reduction of state administration over three years was decided in January 1957; and in Rumania the reorganization of ministries early in 1957 permitted sizeable cuts in staff. Several attempts have been made since 1951 to redirect some of the administrative personnel in Czechoslovakia towards productive occupations, but apparently the cuts in administrative staff [57] were followed by re-engagements and little permanent streamlining was achieved. In Poland, administrative employment showed a net decrease of 33,500 between the second quarters of 1956 and of 1957; within this total, local administrations increased their employment by 3,800 and the decrease in central administrations was correspondingly greater. No similar figures are available for eastern Germany.

Whether the policies now being pursued in the Soviet Union and elsewhere for a further devolution of responsibility for economic planning and management from the central administration to local bodies and to enterprises will have a marked effect on total employment in administration at all levels remains to be seen. If there is a real transfer of responsibility to enterprises this may happen; but it seems at least possible that in some instances cuts in central administration will be matched to a considerable extent by a growth of administrative staff at regional or other intermediate levels.

Changes in the Structure of Industrial Employment

Within the industrial sector (including building and handicrafts) the immediate post-war employment structure already differed markedly from that of pre-war in most eastern European countries. Particularly in eastern Germany, Hungary and Czechoslovakia, heavy industry had been developed to meet war-time needs, and in Czechoslovakia the post-war expulsion of Germans reduced employment in the light industries.

To some extent post-war policies in all countries of the region, with their heavy emphasis on the expansion of investment and relative neglect of the consumer-goods sector, have reinforced the trend of development of the industrial employment structure which started during the war. However, the construction industries are an exception since low levels of war-time activity were succeeded by rapid expansion under the pressure of the investment drive.

[55a] Between 1955 and 1956 the number of clerical employees in industry increased by about 50,000 (i.e., by more than over the whole period 1950 to 1955) indicating that some re-engagement by enterprises took place.

[56] All administrations (central and local) depending on the state budget, with the exception of the Ministries of the Interior and Defence (*Statistikai havi Közlemények*, No. 4, 1957, p. 18).

[57] 77,000 between 1951 and 1953, 13,000 in 1956.

Chart 8 illustrates the changes in the industrial distribution of manual workers and the rates of growth of employment in four main sectors of industry during the post-war period. The main merits of the classification, in the context of this study, are first that it permits an examination of changes between those branches working mainly for investment — building, metal-using and basic materials (fuel and energy, metal-making, chemicals and building materials) which provides the inputs for the first two — and the light and food industries producing mainly for consumption;[58] secondly, that it permits an approximate distinction between the raw material producing and the processing sectors of industry.[59]

So far as employment policy is concerned, the second distinction seems to be more important than the first, since in the processing branches marginal productivity of labour can approach zero — and even, in exceptional circumstances, be negative — while in the primary branches output can almost always be increased by additional labour.

The most important changes in employment structure have affected building and the metal-using industries and have been related to the fluctuations in investment activity and in defence production.[60] Between 1950 and 1953, these two sectors increased their employment by an amount equivalent to the total net increase in industrial employment in Czechoslovakia, to 70 per cent in Hungary, to more than 60 per cent in Poland, eastern Germany and probably Rumania, and to 40 per cent in Bulgaria. At the same time, basic materials obtained extra labour equivalent to 20 per cent of the net increase of total employment in Czechoslovakia (with a corresponding decrease in labour in the light and food industries), 16 per cent in eastern Germany and only slightly more in Poland, and 24 per cent in Bulgaria and Hungary.

In the subsequent years, 1953-1955, employment in construction fell everywhere except in Bulgaria; and the metal-using industries registered small increases in employment only in Czechoslovakia and Bulgaria, a stable level in eastern Germany, and a fall elsewhere. By contrast, basic materials and light and food industries managed to increase substantially their employment in all countries during these years, but nevertheless still provide the bulk of industrial employment only in Albania; in Bulgaria their share approaches 50 per cent, but the most recent figures range between 42 per cent in Rumania and 29 per cent in Hungary.[61]

Among the other groups, only eastern Germany has many more people employed in metal-using industries than in either building or basic materials.[62] In Czechoslovakia, employment in metal-using is now slightly higher than in basic materials while building lags behind, and in Poland the share of basic materials is much higher than in any other eastern European country. In Hungary, after numerous fluctuations, the four sectors had virtually equal shares in 1956. The striking feature of the picture in Rumania is the large share of building, with more than a quarter of all industrial workers. The situation used to be similar in Bulgaria, but by now basic materials have caught up with building.

It would be very interesting to compare the figures cited above with those for the Soviet Union, but unfortunately the Soviet data available are unsatisfactory: percentage distributions (excluding building) for 1940, 1950 and 1955 have been published but the relevant total (all manual workers in state, co-operative and collective farm industries) is unknown; 1940 and 1956 figures for manual workers in state industry only have been published for selected branches. On the basis of these data, however, it seems that in 1955 the broad structure of employment in Soviet industry (excluding building) most resembled that of eastern

---

[58] The distinction is naturally only very rough. However, in eastern Europe practically all building goes to investment, since repair and maintenance take only a small part of building output, and output of the engineering industries for consumption and for exports outside the region has until recently been small in most countries.

[59] Here again the distinction is sometimes rather arbitrary: some branches of the basic materials sector (especially within the chemical industry) could as well be considered as "processing" industries, while some processing industries (cellulose, saw-mills) are closer to other basic materials branches.

[60] See the SURVEY for 1955, Chapter 8.

[61] The exclusion of handicrafts and of small-scale industries from these figures in some countries somewhat distorts both the changes over time and the inter-country comparison. Thus, in eastern Germany, the inclusion of handicrafts employment with manufacturing would increase the share of employment in light and food industries in 1955 from 32 per cent to 37 per cent and the difference would be greater in 1951 and earlier years.

Employment in large-scale industries and handicrafts in eastern Germany
Thousands at the end of the year

	Basic materials			*Metal-using*		
	1951	1955	Percentage change	1951	1955	Percentage change
Large-scale . . .	665	748	+12	825	938	+14
Handicrafts . . .	19	19	−1	148	179	+21
Total	684	767	+12	973	1117	+15

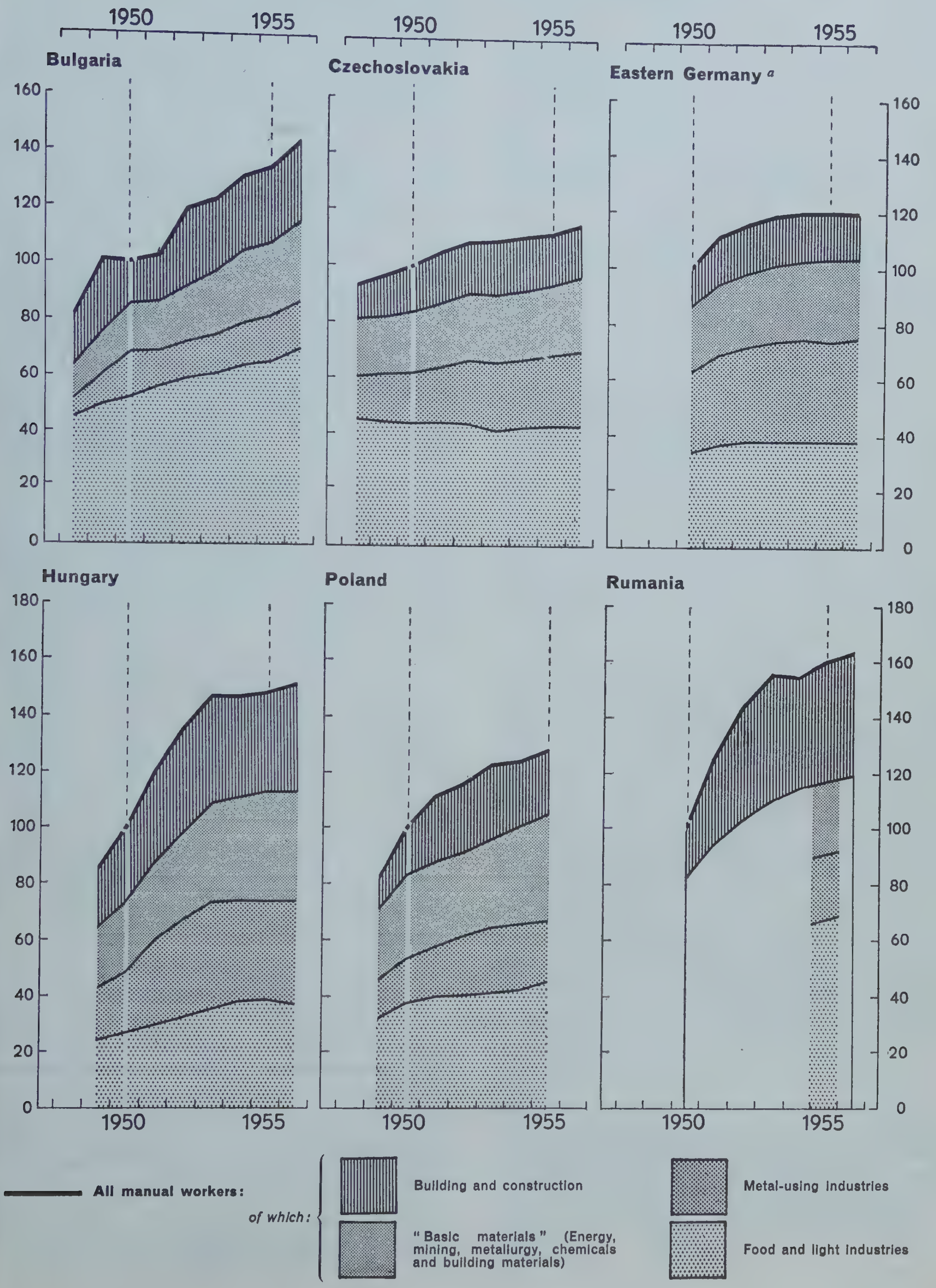
	Light industry			*Food industry*		
	1951	1955	Percentage change	1951	1955	Percentage change
Large-scale . . .	759	773	+2	195	224	+15
Handicrafts . . .	299	260	−13	141	132	−7
Total	1058	1033	−2	336	356	+6

Source : Statistisches Jahrbuch and *Vierteljahreshefte zur Statistik*, No. 1, 1957.

[62] The figure for basic materials does not include uranium mining (some 100,000 wage-earners in 1956).

CHART 8 — **Manual workers in broad groups of industry and building**

Index numbers — 1950 total = 100



Sources: See Annex Table VII.   [a] For eastern Germany, data refer to all wage-earners.

Germany, with almost one-third in metal-using, only a quarter in basic materials[63] and the rest in the other processing branches. The pattern would differ little if building were included with industrial employment: in 1955 manual workers in building accounted for some 12 per cent of the combined employment of manual workers in building, mining and manufacturing. If this percentage is comparable with those of other countries it would place the share of these branches in employment in the Soviet Union somewhat above that in eastern Germany or Czechoslovakia, but still well below the shares in the less developed countries with abundant labour supplies.

As is explained in Section 3 below, the disproportionate expansion of employment in metal-using industries in all eastern European countries up to 1953 and the corresponding shortages of labour in the basic materials and building industries did not entirely reflect deliberate policy. They were also caused partly by the deficiencies of the wage system and partly by the relative abundance of labour recruits apt and willing to work in the processing industries (women, graduates of the vocational schools, former craftsmen) as opposed to the scarcity of young male workers for strenuous jobs. The latter had to be recruited largely among the rural population with all the problems this involves. Finally, inadequate geographical mobility of labour involved recruitment difficulties pressing especially heavily on the basic industries and building.

The Labour Problem in Coal Mining

The problems of recruiting and retaining young men to work at strenuous occupations outside their home districts have been particularly marked in the mining industries, despite the efforts made in every country to attract workers into this sector. Vast recruitment campaigns have been supported by money bonuses and other special incentives for new recruits,[64] by the prospect of relatively high earnings once skills were acquired and by other forms of favoured treatment, as well as — until fairly recently — by obstacles placed in the way of workers attempting to leave the industry. These measures have not, however, sufficed in most countries to meet the needs for mining labour, and normal recruitment has been supplemented throughout most of the post-war period by the employment of soldiers, prisoners and, in Czechoslovakia and eastern Germany, temporary " brigades " of students and young people from other occupations — mainly working on open-cast sites. Thus in Poland 18 per cent of all miners in 1953, and 16 per cent in 1955, were prisoners or soldiers. In Hungary the use of prisoners for work in the mines began in 1952 and of soldiers in 1953, and by mid-1956 they together contributed 15 per cent of all mining labour, or 13,500 workers. The " brigades " have made an important contribution in eastern Germany, and in each year from 1954 to 1957 temporary workers have accounted for about 30 per cent of the total labour in Czechoslovak mines.[65]

The figures in Table 17, though they do not permit precise inter-country comparisons, indicate that the countries of eastern Europe and the Soviet Union have raised employment in coal mining since before the war considerably faster and more steadily than has been possible in most western European countries. But they have not, in most cases, succeeded in building up a stable labour force. In addition to the element of instability inherent in the use of military and prison labour, there has been a marked tendency for a high proportion of other new recruits to the mines to leave within a relatively short period.

In most western European countries the annual labour turnover in coal mining (i.e., recruitment plus wastage) amounts to about 20 per cent of the labour force. The contrasting situation in Hungarian coal mining is illustrated by the following figures:

	Average number of workers	Annual recruitment	Annual wastage	Percentage annual turnover
	Thousands			
1950 . .	51	30	29	116
1951 . .	56	43	40	148
1952 . .	63	49	38	138
1953 . .	73	78	66	197
1954 . .	82	73	71	176
1955 . .	86	60	55	134
1956[a] . .	94[b]	55	54	154[c]
1957[a] . .	95[b]	51	37	127[c]

Sources : Statisztikai Szemle, No. 11-12, 1956, pp. 1002-1006; *Statisztikai Tájékoztató*, No. 9, 1957, p. 18.

[a] January-September.

[b] On the books on the last day of September.

[c] Yearly rate.

Elsewhere in eastern Europe the situation seems to have been similar.[66] In Poland 90,000 recruits entered the mines in 1955 and 70,500 workers left (out of a total labour force of rather less than 300,000) and

---

[63] This share is about the same as in most of the advanced industrial countries of western Europe. However, it remains surprising that a country with the natural resources of the Soviet Union should have relatively fewer industrial workers engaged in basic materials industries (and consequently more in the processing industries) than Poland, eastern Germany, Hungary or Czechoslovakia.

[64] In Poland, for example, 80 per cent of miners' newly built dwellings are reserved for new recruits.

[65] *Československý Horník*, 8 August 1957.

[66] However, the turnover of mining labour in the eastern European countries has never reached the proportions registered in the Soviet Union in the early 1930s:

	1929	1930	1931	1932	1933	1934	1935
Turnover in percentages . . .	394	602	438	373	250	186	195

Source : Sotsialisticheskoe Stroitelstvo S.S.S.R., Moscow, 1936, p. 531.

TABLE 17

Numbers of coal miners in selected European countries

Index numbers, 1937 = 100

Country	1949	1950	1951	1952	1953	1954	1955	1956
Belgium [a]	123	112	115	119	117	112	110	109
France [a]	124	114	109	109	104	100	95	92
Saar [a]	128	125	122	119	119	119	116	116
Western Germany [a]	121	126	130	134	140	138	138	140
Netherlands [a]	130	135	140	150	150	155	155	155
United Kingdom [a]	90	87	87	90	91	90	90	91
Bulgaria [b]	185	222	231	216	230	248	339	345
Czechoslovakia [c]	136	138	138	144	144	157	158	163
Eastern Germany [d]	..	..	..	..	..	..	183	183
Hungary [b]	132	138	151	170	197	221	232	240
Poland [a]	153	163	169	177	189	200	219	226
Rumania [b]	..	142 *	..	..	..	..	236 *	238 *
Soviet Union [e]	..	165 *	..	..	..	..	195 *	222

Sources : National statistics and ECE estimates.

NOTE. — These index numbers do not permit precise inter-country comparisons, since definitions vary.

[a] Underground workers on books at end of period.

[b] All workers in coal mining: base year is 1939 in Bulgaria and 1938 in Hungary.

[c] All mining workers: index rebased on 1938.

[d] Total employment in coal mining and ancillary industries: base year is 1936.

[e] Manual workers in coal mining: base year is 1940.

in Czechoslovakia new recruitment of 10,250 to the Ostrava-Karviná hard coal basin in the first half of 1957 was practically offset by the departure of 10,060 workers in the same period [67] — a movement which, if typical of the year as a whole, may well have represented an annual turnover of some 80 per cent. Evidence of a high rate of labour turnover exists likewise in Rumania, where the proportion of miners with only a short period of service has remained extremely high, even when the rapid expansion of the total labour force is taken into account.

Percentage of labour force (Jiu valley only [a])

Years in service	*1948*	*1950*	*1955*
Less than 1 year	27.4	43.5	44.1
1 to below 3	17.2	23.2	28.9
3 to below 5	11.3	9.1	7.5
5 and above	44.1	24.1	19.5

Source : Probleme Economice, No. 4, 1956, p. 10.

[a] The Jiu valley is by far the most important Rumanian coal basin.

The figures above suggest that much of the high labour turnover in Rumania was the result of failure to hold new recruits rather than of a high rate of departure of older workers, and this too is a phenomenon common to other countries. In Poland 53 per cent of new recruits in the first half of 1956 left within the same period; and a survey in October 1953 showed that in Hungary almost 70 per cent of workers leaving the mines had been employed for less than a year.

The results of this instability of the mining labour force in most eastern European countries have been a decline in the proportion of skilled and experienced workers in the total and an ageing of the core of "permanent" labour — both factors which have tended to reduce average labour productivity. In the Soviet Union the concentration of the available increment of coal mining labour on the Donbas, where — largely for technical reasons — productivity is lower and rising less rapidly than in many other coal fields, has stemmed from the pressing need to supply the traditional industrial centres dependent on that area (see Table 18).

Difficulties in persuading people to take work in coal mining when ample alternative employment possibilities exist have been common to all European countries in recent years; but other factors have added to the difficulties of building up a stable mining labour force in the countries of eastern Europe. Inadequate investment in improvement of working conditions, the dangerous nature of underground work, intensified when a high proportion of the workers are inexperienced and unskilled, and the discouraging effect on normal recruitment of the use of soldiers and prisoner labour have all been of some importance; but the shortage of miners' dwellings has probably been the most important single factor in the situation.

---

[67] *Rudé Právo*, 24 September 1957. The Ostrava-Karviná basin produces more than four-fifths of total hard coal output.

TABLE 18

Employment of manual workers and output in Soviet coal-mining[a]

	Production per manual worker *Tons*			Total yearly production *Thousand tons*			Employment[b] *Thousands*		
	1940	1950	1955	1940	1950	1955	1940	1950	1955
Soviet Union	367.2	361.2	453.6	164.1	257.8	377.5	446.8	713.7	832.2
of which :									
Donbas	313.2	272.4	309.6	94.32	94.65	140.96	301	347	455
Moscow basin	388.8	422.4	504.0	10.09	30.88	39.49	26	73	78
Kuzbas	517.2	435.6	560.4	22.48	38.53	58.54	43	88	104
Ural basins	526.8	526.8	733.2	11.96	32.49	47.06	23	62	64
Karaganda	526.8	484.8	748.8	6.30	16.44	24.71	12	34	33
Central Asia	266.4	288.0	417.6	1.69	3.78	5.87	6	13	14
East Siberia	619.2	571.2	924.0	9.23	17.52	26.63	15	31	29
Far East	415.2	482.4	580.8	7.22	13.14	17.36	17	27	30
Georgia	268.8	290.4	400.8	0.62	1.73	2.71	2	6	7
Pechora and others	38.7	206.9	288.7	0.27	8.69	14.15	7	42	49

Source : Promyshlennost S.S.S.R.

NOTE. — All production figures are given in tons, irrespective of quality, and include lignite.

[a] All figures refer to the mines depending on the Ministry of Coal: they accounted for 99 per cent of coal output in 1940 and 1950 and 98 per cent in 1955.

[b] Derived.

The failure to increase normal housing accommodation in line with the growth of the labour force can be seen from the following figures:

	Increase in number of miners	*New miners' dwellings constructed*
Hungary — 1949 to 1954	32,000	5,500
Poland — 1950 to 1955	80,000	25,000
Rumania — 1951 to 1955	16,000	5,100

In each country the normal dwellings available were supplemented by workers' hostels; but these have been extremely unpopular, and older men with families have naturally been especially reluctant to accept such accommodation.[68] The wage incentives offered to miners have been insufficient to offset these and other disadvantages (see section 3); and, in any case, inexperienced young miners unable to fulfil the norms were unable to achieve the relatively high earnings theoretically possible.

It is significant that the special efforts made in Poland during the last eighteen months to improve recruitment and production in mining have included the ending of employment of prisoners (the last of them left the mines at the end of 1957), and a decision progressively to reduce the employment of soldiers. Hostels are gradually to be converted into workers' flats and young miners are to be lodged with nearby families. New facilities for building family houses are foreseen, and plans provide for building 61,000 new miners' dwellings during 1956 to 1960 — a period in which the numbers of miners are expected to rise by 55,000. These measures, together with a rise of about 40 per cent in average earnings conceded early in 1957, seem already to have had some favourable effects; and in Hungary also similar wage increases, combined with an initial guarantee of minimum earnings and improvements in miners' housing, have brought about a marked improvement in the labour supply situation this year, following the large-scale withdrawal of all types of labour and the disappearance of prisoners and soldiers from the mines at the end of 1956.

In the Soviet Union some of the obstacles to recruitment of miners have been less acute than in the eastern European countries (for example, the provision of new dwellings seems to have just about kept pace with the rise in the numbers of miners). Nevertheless, in 1956 an intensive recruitment campaign to attract young men to the mines of the Donbas was launched, which gave the mines equal priority with the virgin lands of Siberia and Kazakhstan. The results are reflected in the increases in employment shown in Table 17.

Building and Construction

As has been mentioned above, employment in building and construction in the eastern European countries during the post-war years has in general closely followed fluctuations in total investment activity, contributing to the pressure on supplies of unskilled male labour in the early 1950s and to the slackening of demand for such labour experienced in some countries more recently (see Charts 7 and 8).

---

[68] In Hungary, in September 1954, about one-third of all miners were living in miners' dwellings, one-third in workers' hostels (even though some of them had families) and one-third travelled daily by bus from other villages.

The structure of the industry has changed significantly in most countries since before the war. Traditionally, building in eastern Europe was organized mainly in very small units, with a high proportion of skilled workers and little mechanization, and house-building and small-scale industrial and agricultural construction formed the bulk of the work. The relatively small amount of large-scale construction in industry, road building, flood control, etc., was carried out by gangs of labourers who took up casual work as it offered in industry or agriculture without being tied to any enterprise. Eastern Germany provided, to some extent, an exception to this pattern; but the increasing proportion of large construction work undertaken there immediately before the war was performed more by forced labour than by regular building workers.

In the post-war years, housing and other small-scale building and repair work gave way to large-scale construction as the main element in the activity of this sector, and large enterprises replaced the small units previously predominant in the industry. The resulting need for large numbers of male workers capable of heavy physical work competed with the similar demands of mining and other basic industries (though the share of women in total employment in building was larger than in mining), and the fact that much work was in remote areas with inadequate housing complicated the recruitment problem. Moreover, building remained a highly seasonal activity and therefore had to compete with agriculture for unskilled workers in the peak periods of demand for labour.

Considerable instability of the building labour force is to be expected from the nature of the employment in this sector in eastern Europe (for example, turnover in Hungary was 142 per cent of the labour force in 1952), but it seems to be marked also in the Soviet Union. There, lack of housing has been mentioned as a factor discouraging permanent recruitment to the building industry. Labour turnover amounted to 116 per cent of all workers employed in 1954 and, in the following year, about 60 per cent of building workers had less than two years' experience.[69]

Employment in building in the peak post-war years was about three times the pre-war numbers, or even higher, in all eastern European countries except eastern Germany and Czechoslovakia. In eastern Germany the limitation of building activity during and immediately after the war kept the labour force below the pre-war level up to 1951. Thereafter employment regained this level with a large share of newly recruited labour, especially women; but since 1953 the relative stability of employment in building is partly a reflection of the severe competition of mining and agriculture for the suitable workers.

In Czechoslovakia, the immediate post-war fall in the building labour force was even greater than in eastern Germany, since a large proportion of building workers had consisted of Germans who were expelled from the country. The relative success of the subsequent recruitment drive can be explained first by the fact that the shortage of able-bodied young men was less acute than in eastern Germany and, secondly, by the then untapped labour resources of Slovakia. The share of building in total non-agricultural employment in Czechoslovakia is nevertheless only slightly above the east German level, itself the lowest in eastern Europe, reflecting acute difficulties in recruiting building workers in recent years.

3. Employment Planning and the Organization of the Labour Market

Employment policy in the Soviet Union and eastern Europe has until recently everywhere been treated as essentially an instrument of production planning. The main objective has been to assure enterprises of the labour needed to fulfil the plans for industrial output and for investment, and to this end a combination of social pressures, administrative measures and incentives has been employed — the latter involving a centrally controlled use of market forces.

The methods of employment planning, and the administrative measures and systems of incentives employed in implementing the plans, are discussed below. However, despite the general framework of planning and purposive direction of manpower flows, certain uncontrolled market forces have helped to create or perpetuate some of the features of " labour markets " in non-planned economies. On the demand side, competition for labour among socialist enterprises has been possible, and demand outside the state sector has continued to offer marginal competition for temporary and seasonal labour. On the supply side unforeseen variations in the proportion of the marginal labour force (women, old people, etc.) offering themselves for employment, or in the rate of movement of workers out of agriculture, can produce changing intensity of competition for jobs. The " market " features have become more pronounced in the recent past with the increasing reliance on incentives rather than administrative measures as means of implementing employment policy.

---

[69] See V. Koltsov, " Razvitie stroitolnoi industrii v S.S.S.R.", *Voprosy Ekonomiki*, No. 8, 1955.

TABLE 19

Planned and actual changes in non-agricultural [a] employment in the Soviet Union

Plan period	Employment increases (Millions)		Percentage increase over the period	
	Plan	Actual	Plan	Actual
	(1)	(2)	(3)	(4)
1928–32	3.7	9.8	36	92
1932–37	5.3	4.2	26	21
1937–40	4.9 [b]	4.5	20 [b]	18
1945–50	5.7	11.1	23	45
1950–55	6.3	6.7	15	19

Sources : **Plans :** *The Soviet Union Looks Ahead* (Text of First Five-year Plan) 1929, p. 146; *The Second Five-year Plan*, 1936, pp. 624-5; *Tretii pyatiletni plan*, 1939, pp. 228-9; *The Five-year Plan 1946-50*, 1946, p. 54; *Izvestia*, 12 October 1952. **Actual :** *Narodnoe Khozyaistvo S.S.S.R. v 1956 godu*, 1957, pp. 204-5.

[a] Number of " hired workers " reduced by those working on state farms and on MTS.

[b] For the whole period of the Third Five-year Plan (1937-42).

(i) The planning of employment

In every country, all economic plans — from the five-year plan for the whole economy down to the detailed annual plans for individual enterprises — have included sections on manpower. But each employment plan has, in fact, been a resultant of the planned volume of output and an estimate of the possible, or desirable, level of output per man. Since the output plans have everywhere had an overwhelming priority, the authorities have in general been prepared to tolerate combinations of employment and output per man different from those planned, provided that at least the planned levels of output were achieved.

In fact, the plans for employment outside agriculture were over-fulfilled in four out of the five five-year plans in the Soviet Union, by a huge margin in two periods (see Table 19); and in eastern Europe it seems that the employment targets of the long-term plans were everywhere considerably exceeded in the early years.

The basic reason was a demand for labour by socialist enterprises exceeding the volume laid down in the plans. The main control over the level of employment in an enterprise was through the total wage bill, though over-spending was frequently tolerated. But in any case, fixing the total wage bill of an enterprise left the management free, within limits, to hire more or fewer workers and pay them accordingly; and the fact that the wage bill was linked with gross output also weakened its usefulness as a control over either employment or the relationship of earnings to genuine labour productivity.

On the other side of the manpower balance, supplies of labour were, in general, sufficiently flexible to allow these demands to be met. Employment plans usually referred only to the numbers of wage-earners, thus excluding most of the agricultural sector,[70] and little disquiet was felt, in any case, if the workers attracted out of agriculture exceeded the numbers expected to move. Moreover, special efforts to recruit additional workers could tap more of the reserves of potential labour in the cities, and from time to time deterioration or stagnation of real wages caused part of this reserve labour force spontaneously to seek work.

While the operational planning of employment was thus concentrated on the need to achieve the output plans of state enterprises, some longer-term planning or assessment of manpower resources and their employment in the economy as a whole was attempted on the basis of the so-called " labour balances ".[71] The example of such a balance sheet reproduced below is a relatively refined version: in some countries (e.g., Poland) only the changes in the numbers of workers in agriculture and in the rest of the economy as a whole are specified under section B I.

Balance sheet of labour resources in Eastern Germany

	End of base period			End of plan period			Absolute change		
	M	F	Total	M	F	Total	M	F	Total
A. RESOURCES									
1. Population of working age .									
2. Recipients of disability pensions									
3. Working population of pensionable age									
4. Total labour resources (1−2+3)									
B. DISTRIBUTION OF LABOUR RESOURCES									
I. Working population (excluding apprentices)									
of which :									
1. Wage-earners (according to branches of economy and sector of ownership)									
2. Members of co-operatives . .									
3. Self-employed and family helpers									
4. Domestic servants									
II. Students of working age . . .									
of which :									
1. Apprentices									
2. Secondary school pupils . . .									
3. Technical school pupils . . .									
4. University students									
5. Assistants									
III. Non-working population of active age (A 4 − B (I + II))									

Source : J. Spörer, *Die Arbeitskräftebilanzierung in der D.D.R.*, Berlin 1957, p. 123.

---

[70] The early Soviet five-year plans and the related annual plans, as published, explicitly stated the expected changes in farm labour. Whether later plans have continued this practice is unknown, but the published texts have omitted such estimates.

[71] Methods similar to those used for assessing the balance of total labour resources and utilization have also been employed in more limited fields (e.g., in planning the distribution of school-leavers).

The fact that until recently these balances were established only for the country as a whole, despite the limited geographical mobility of labour, only annually (ignoring seasonal fluctuations), and frequently with long delays, considerably limited their practical usefulness. However, with the decentralization of labour planning and management now taking place in several countries, the establishment of regional labour balance sheets could provide a useful tool of manpower planning. Regional balances have in fact been calculated since 1955 in eastern Germany; and in the Soviet Union the republics have had some responsibility for manpower planning and management since 1953. In the Soviet Union, the reorganization of planning in agriculture and of industrial management in 1956 and 1957 will increase considerably the role of regional manpower balances,[72] to be established for each krai, oblast, raion and even for individual collective farms.[73]

It is somewhat surprising that, given the variations in the degree of labour shortage or labour availability in different geographical areas in most eastern European countries and the limitations on labour mobility, so little attention has been paid to differences in regional labour market conditions. Only in Czechoslovakia and eastern Germany has industrial location policy taken these factors fully into account.

With the appearance of serious labour shortages in some countries and of surpluses in others, long-term manpower planning has now become of greater importance. Governments are becoming obliged to take more careful account of the prospective level of employment when framing investment and output targets, to approach the consideration of policies on income levels and income distribution bearing in mind the possible effects on the size and composition of the potential labour supply and, in some countries, to give priority to investments designed to facilitate mobilization of labour reserves, improve geographical mobility or reduce peak demands for labour. The issues raised by recent developments in the labour market situation are discussed more fully in section 4 below.

(ii) The administrative machinery[74]

The Experience of the Soviet Union

During the early part of the inter-war period in the Soviet Union the rapidly growing demands of industry for labour could easily be met by drawing on the urban labour reserves and on the surplus labour in agriculture — large numbers of whom were forced by collectivization to seek other employment. Little difficulty therefore arose in securing a level and distribution of industrial employment adequate for the achievement of the output plans, while in later phases of development rapid industrial expansion provided ample employment possibilities. The primary need throughout the inter-war years, and even since then, has been to raise the level of skills and to encourage the highest possible physical output per man with any given provision of equipment.

These circumstances have strongly influenced the development of the instruments of employment policy in the Soviet Union, which were later introduced in varying degree in the countries of eastern Europe. Thus the wage system of the Soviet Union has always been designed more to provide incentives for hard work in a given occupation than to encourage recruitment to certain branches of activity rather than others; and administrative measures have been particularly concerned with vocational training and the recruitment and distribution of skilled labour, and with building up a stable and disciplined labour force. With most branches of industry developing rapidly and in large units, the problem of labour mobility has been seen not as one of facilitating the general movement of workers geographically or between jobs, but rather as one of securing the recruitment of workers as required in particular areas or enterprises.

Between 1930 (when employment exchanges disappeared together with registered unemployment) and 1938, special machinery for labour recruitment and direction existed only for corrective labour.[75] But, since the number of prisoners was relatively substantial in that period (and continued to be until 1953) labour provided under contract by the People's Commissariat for Internal Affairs, together with the employment of prisoners in enterprises operated by the Commissariat itself,[76] formed a not insignificant element in the total labour force.

The voluntary transfer of peasants into industry during the 1930's was based on individual agreements between collective farms and industrial enterprises. But, as the readily available reserves of rural labour declined, partly as a result of improving conditions of life on the collective farms, this system encouraged enterprises to bid against each other for workers. Central control of recruitment was therefore tightened, in 1938, by the establishment of national and local

---

[72] See A. S. Kudryavtsev (ed.), *Ekonomika truda*, Moscow, 1957.

[73] Those wealthier farms, whose members are better paid than industrial workers in the region, and which can if they wish attract labour, have drawn up such balances for themselves in the past.

[74] This sub-section has been prepared in collaboration with the Manpower Division of the ILO.

[75] The abolition of unemployment benefit tended both to stabilize the labour force and to make it easy effectively to direct workers who could not afford to refuse employment offered.

[76] These were engaged mainly in the exploitation of natural resources (timber, coal, non-ferrous and precious metals) in remote areas.

" commissions for the organized recruitment of labour " and, in 1940 and 1947, by the establishment in two stages of the recruitment system operated under the Ministry (now Chief Administration) of State Labour Reserves. This system is supplemented by the government resettlement schemes for farmers and their families.

The present system thus involves three main channels of recruitment. One is through the agencies of the Organized Recruitment of Workers (Orgnabor) which contract with the industrial ministries (mainly for basic industries such as coal, oil, metallurgy) to recruit the planned numbers of unskilled workers for them. Orgnabor then conducts the recruitment campaigns, and engages individual villagers (recently also city dwellers for work in distant places), usually on one- or two-year contracts.[77] Orgnabor is an important channel of recruitment for distant fields of work and for seasonal work in building, forestry, etc., but was recently recognized to be insufficient to provide for the permanent labour needs in the eastern regions. Reliance has therefore increasingly been placed on the voluntary resettlement of farm households in these regions to take up work in the primary industries in rural areas.[78]

The third channel — the State Labour Reserve system introduced in 1940 — is of a different nature from the other two recruitment mechanisms. It is concerned mainly with young people, and designed not only to meet the need for better organized recruitment of rural labour for industry, but also to speed up the output of trained workers and ensure a more efficient distribution of them. Apart from on-the-job training given within enterprises, which was often unsatisfactory, the earlier provisions for vocational training included the network of general educational schools (FZS) founded in 1926 and later merged in the ordinary educational system, and the vocational training institutes (FZU) established in 1920. The institutes provided industrial training for young people in two- or four-year courses; and they trained about 450,000 young workers during the First Five-year Plan and about 1.4 million during the second. But even in the second period this output represented only a quarter of all new entrants to industry.

In 1940, all but a few of the FZU (training workers for the light, food and local industries) were merged in the State Labour Reserve system. The State Labour Reserve schools then established are of two kinds: specialized schools giving two-year courses for skilled workers, and a modified version of the FZU (now FZO) providing mostly six-month courses for semi-skilled workers, mainly in the basic industries and construction (since 1954 also for farm mechanics). Entrance to the schools in the earlier years was largely through a compulsory call-up of a considerable share of young people in the 14-17 age group, but during the 1950s compulsion has become progressively less necessary. After training, the recruits are subject to compulsory assignment to jobs for a period of two to four years.[79]

The impact of the system on the direction of labour is indicated by the fact that in the years 1946 to 1950 about half of all new entrants into industry, building and transport were recruits and trainees of the Ministry of State Labour Reserves, and in coal mining, metallurgy and engineering the proportion was between 70 and 80 per cent.[80] Subsequently, during the fifth Five-year Plan, the Labour Reserve schools turned out a much smaller number of graduates (see Table 20), but this was mainly due to the smaller intakes of labour into industry, building and transport coinciding with a higher share of young people in secondary and higher education.

During the fifteen years from 1941 to 1955 the Labour Reserve schools turned out more than 8 million skilled and semi-skilled workers who were directed to work in the following fields:

	Thousands
Engineering	1,700
Coal industry	1,200
Transport	970
Construction and building . .	770
Metallurgy	650
Agriculture	628
Electric power	230
Oil industry	200

Source : M. Chistyakov, " Podgotovka kvalifitsirovanykh kadrov v shestoi piatiletke ", *Planovoe Khozyaistvo*, No. 6, 1956.

Supplementing the machinery for labour recruitment and direction described above, many resettlement schemes provide opportunities for demobilized service men (although these seem generally to be limited to recruitment for major schemes such as the development of the virgin lands), and the role of corrective labour in institutions of the Committee for

---

[77] Although in principle the fares of families may be paid and accommodation is guaranteed at the new place of work, married men recruited have tended to leave their families behind and return on expiry of their contract.

[78] Organized farm resettlement (*pereselenie*) from the densely populated European part to Siberia has been operated by the Government before and since the revolution. The *pereselenie* scheme provides transport of the migrant's family and chattels, a plot of land in the resettlement zone and transitional tax exemptions.

[79] Pupils of secondary schools and other higher education establishments were exempted from this call-up, which meant that " mobilization " mainly affected children of families in the lower income brackets, and mostly in the countryside (i.e., those unable to afford the fees for higher education or to gain scholarships). A similar provision for compulsory assignment to jobs (for three or four years) exists also for graduates of higher education.

[80] *Voprosy Ekonomiki*, No. 4, 1949.

TABLE 20

Graduates of Labour Reserve System schools in the Soviet Union

Thousands

Type of school	1941 to 1945	1946 to 1950	1951 to 1955	1956 to 1960	
				Plan	As percentage of 1951 to 1955
All Labour Reserve schools	*2 475*	*3 392*	*2 364*	*3 340*	*141*
of which :					
Industrial, railway, mining and technical schools . . .	685	1 024	746	1 070	143
Vocational and workshop factory training schools (FZO), and mining and construction schools . . .	1 790	2 368	990	1 180	119
Agricultural mechanization schools [a] . . .	—	—	628	1 090	174

Source : Narodnoe Khozyaistvo S.S.S.R. v 1956 godu, and M. Chistyakov, *op. cit.*

[a] Until 1954, the training of tractor drivers and other farm mechanics was outside the Labour Reserve system.

State Security is probably still of some significance.[81] Secondary and higher education authorities execute plans for highly qualified manpower.

However, there is no labour exchange organization, and a working adult who has lost his job and is looking for another is largely left to his own devices. The usual form of advertising for unskilled and skilled manual jobs and lower grades of non-manual work consists in displaying vacancy notices on the gates of enterprises and institutions. A non-manual worker with higher qualifications could, however, count on the help of the personnel office *(otdel kadrov)* of the Ministry to which his former enterprise was subordinated or in whose establishment he received his vocational training, and the local councils and the trade unions also give some help. This system does not in general create difficulties for unskilled workers or for most skilled workers in larger localities; but skilled workers with a specialization for which opportunities in the place of residence are limited are frequently confronted with the choice between taking up work not corresponding to their qualifications or remaining temporarily unemployed.[82] There is no unemployment benefit.

The second major aspect of employment policy in the Soviet Union — aiming at building up a stable and disciplined labour force — has been implemented in part by a series of measures tending to limit labour turnover and penalize absenteeism and other forms of indiscipline. Obligations to carry a work-book (recording previous employment and the reason for its termination) and, later, an internal passport (necessary both for travel and when applying for work) were generalized in the early 1930s, and their effects were reinforced in 1939 by amendments to the Labour Code, prolonging the period of notice to be given by employees to one month, tying all rights and claims for holidays and social insurance benefits to the length of employment in one establishment and stiffening penalties for tardiness and unjustified absence from work. Later, in 1940, unauthorized termination of employment and unjustified absence from work (including tardiness) were made criminal offences punishable by imprisonment or corrective labour, compulsory transfer of technicians and skilled workers from one place of employment to another was authorized, and all fixed-term contracts for skilled workers were transformed into indeterminate ones.

The powers given by the 1940 decrees were still extensively enforced in the early post-war years;[83] but they gradually fell into disuse, and the decree of 25 April 1956 which repealed them seems to have done little more than legalize established practice.[84] However, financial penalties still discourage labour turnover: social security benefits continue to be suspended for six months for "unjustified" termination of employment and other benefits are linked with the time of service in one enterprise.

Administrative Measures in Eastern Europe

Labour Codes modelled to a greater or lesser extent on the 1940 decrees in the Soviet Union were introduced in most eastern European countries around 1950, with restrictions of workers' freedom of movement and provision for compulsory transfers as a common feature. Drastic labour discipline regulations were also frequently included,[85] but for various reasons the provisions of the Codes seem to have been less rigorously enforced in the eastern European countries than in the Soviet Union. In 1956 or 1957 all such codes were amended — again following the Soviet example. One recognition of differences between labour market conditions in the Soviet Union and elsewhere is, however, reflected in the amendments to the Codes in Rumania and Bulgaria which reinforced provisions giving workers protection from arbitrary dismissals and increased termination allowances for cases where dismissals are unavoidable.

---

[81] These institutions have now been removed from the control of State Security organs and subordinated to local authorities (*Sovetskoe Gosudarstvo i Pravo*, No. 12, 1957).

[82] The reasons for this are partly the absence of organized publicity for work available in other places and partly the residence restrictions in force in big towns where the size of the labour market would facilitate the job-seeker's task.

[83] Managements were legally compelled to take action leading to criminal prosecution.

[84] See *Economic Survey of Europe in 1956*, Chapter I, p. 35.

[85] The Act of 17 February 1953 in Bulgaria provided even for the punishment of directors who failed to hand over offenders to the courts or engaged workers who had left their previous employment without permission.

In other respects also the administrative instruments of labour policy tended to imitate the Soviet model, with varying degrees of adaptation to local conditions.

Although under one form or another " organized recruitment " of unskilled labour was introduced in most eastern European countries, the traditional labour exchanges did not disappear altogether, or, where they did, they have more recently been re-established under another form. In Hungary, recruitment was in the hands of the individual enterprises between 1951 and 1954 — reminiscent of the practice current in the Soviet Union in the 1930s and involving similar disadvantages in the form of over-bidding for labour, etc. In June 1954 manpower direction bureaux were established, taking up the tasks of the traditional labour exchanges, but under the central supervision of the office for Manpower Reserves (later Ministry of Labour); establishments were obliged to notify their manpower requirements for each month, but the bureaux have had no monopoly of recruitment. A similar organization was established in 1954 in Bulgaria, with the difference that since 1956 enterprises have not been allowed to by-pass the labour bureaux. In Rumania, where organized recruitment is performed by an exact copy of the Orgnabor (the General Directorate for Manpower Recruitment and Allocation), the directorate also provides employment offices for the placing of unskilled labour on an optional basis.

Employment offices, attached to the people's councils and supervised by the Ministry of Labour, have been the main media for recruitment or placement of workers in Poland — one country where no special recruitment organization for unskilled labour was set up. In fact, in Poland, as to a greater or lesser extent in Bulgaria, Hungary and Rumania, there has never been such scarcity of unskilled labour as would make a tight control of recruitment necessary. But the situations in Czechoslovakia and eastern Germany have been very different.

The Czechoslovak organization, established in 1951, was obviously intended primarily to secure the necessary shift of scarce labour towards the priority branches. Organized recruitment was carried out by the Ministry of Manpower for the " most important branches of the economy ", drawing not only on the small reserves of labour, but also on non-priority establishments which were obliged to release their workers.[86] For ordinary placement, and recruitment for non-priority enterprises, the district and regional manpower departments of the Ministry registered job-seekers and vacancies, the latter notified to them compulsorily each month. On the basis of this information, they either authorized enterprises to carry out their own recruitment, or themselves placed the persons who had applied for jobs or referred them to other manpower departments with suitable openings.

In eastern Germany the labour offices [87] were dissolved in 1951 and replaced by departments of labour depending on local councils. These acted locally as optional labour exchanges and controlled also the payment of unemployment benefits. As, simultaneously, the existing obligatory registration of the non-working population was suppressed, the central authorities were deprived of the possibility of directing the labour force. But in 1955 the Ministry of Labour was entrusted with the centralization of regional balances of labour, based on monthly manpower reports of all enterprises, and the departments of labour were given more operative tasks of mobilizing labour reserves and shifting labour towards the priority branches.

In both these last two countries, as in the Soviet Union, the move to decentralize industrial management has had as one of its first results the transfer of responsibility for recruitment and placing, at least of unskilled labour, to local authorities. Ministries of labour have been abolished, and long-term employment policy is a matter for the state planning commissions.

In developing vocational training, all eastern European countries, except Poland and eastern Germany, have adopted, with few modifications, the state labour reserve system. The actual working of the system showed, however, several divergencies from the Soviet experience. There is no indication that there was ever compulsory drafting of young people to the schools, and it also seems that in most countries the state labour reserve system had at no time the monopoly of vocational training;[88] traditional apprenticeship subsisted (although on a much reduced scale), as did factory or territorial vocational schools. Eventually, at least in Bulgaria, Czechoslovakia and Rumania, the vocational schools run by the state labour reserve system were handed over to the competent industrial ministries (i.e., actually given back to the enterprises) in order to improve their technical standards.

---

[86] While permanent transfer of unskilled workers was on a voluntary basis, skilled workers could be transferred compulsorily for three years (according to the ordinance of 19 August 1952), and temporary aid teams from non-priority are sent on a compulsory basis to priority branches. The Ministry of Manpower also dealt with transfers of labour to agriculture and within the border areas, which are outside the sphere of " organized recruitment ".

[87] These labour offices, established in a strictly centralized form under the Third Reich, carried files of the whole population of working age and had a monopoly of placements. After the war the obligation of registration and the monopoly of placement were maintained, although neither was strictly enforced, and the offices also paid unemployment benefits.

Eastern Germany had at its disposal immediately after the war an already well developed network of territorial vocational schools, generally complementary to traditional apprenticeship, and this system was maintained and enlarged by the establishment both of enterprise schools and of technical secondary schools run by industrial ministries.

Supplies of Skilled Workers and Highly Qualified Manpower

The figures in Annex Table IV indicate the rapid expansion of vocational training, and of university and other higher education, that has taken place in eastern Europe since the end of the war. The contribution of graduates of vocational schools to the rise in employment in Poland in recent years is illustrated by the following figures (in thousands):

	Graduates of vocational schools 1950 to 1955 (1)	*Net increase in employment 1949 to 1955* (2)	*Column (1) as percentage of column (2)* (3)
Socialist sector outside agriculture	732	2215	33
Industry and handicrafts	458	1021	45
of which: Metallurgy	15	66	23
Engineering	210	304	69
Mining	33	81	41
Chemicals	16	33	48
Building and construction	36	422	9
Transport and communications	22	113	19

Sources: *Rocznik Statystyczny, 1956* and *Wykonanie Zadań Planu 6-letniego*, Central Statistical Office, Warsaw.

This experience is fairly typical of the countries of eastern Europe, where, in general, about one-third of the net increase in employment outside agriculture and roughly one-half of the net increase in employment in industry, seem to have been contributed by people with some kind of vocational training.[89]

The direction of the lion's share of the newly trained workers towards the engineering industries, and the noticeable neglect of building and light industries, also seem to have been characteristic of the training programmes of most countries. In Hungary, for example, 71 per cent of all members of industrial vocational training courses in 1951/52 were destined for the engineering industries, 20 per cent for building and 5 per cent for mining; but by 1955/56 the share of engineering in the training programme had been reduced and the equivalent percentages were 38, 12 and 7.

This change reflects the correction of an undue concentration on training for the engineering industries which, together with a general tendency towards excessive specialization, was common to all eastern European countries. In these relatively small countries specialization carried to extremes involved a much greater risk of waste than in the Soviet Union and, in fact, a fairly general surplus of young skilled metal-workers appeared after 1954. Some of these young people then had to accept unskilled jobs or to be retrained for other occupations, with adverse effects on their morale and on the popularity of vocational training itself. Enrolments in the lower vocational schools in Poland, for example, fell sharply between 1950 and 1955, but the insignificant wage differentials for unskilled, semi-skilled and skilled work were probably also a contributory factor in the decline.[90]

It is fairly clear that, valuable as the increase in training facilities has been in eastern Europe, the supply of skilled industrial workers in the less industrialized countries of the area has not yet reached such a satisfactory level as in Czechoslovakia, eastern Germany or the Soviet Union. This is partly due to mistakes in planning the pattern of training, but also to the low quality of the training given in some courses and to the fact that a high proportion of the formally "skilled" workers are still young and inexperienced. Similar factors have also limited the value up to the present time of the expansion of facilities for university and higher technical education. Mistakes in estimating the needs for different types of qualification have, for instance at times, produced genuine surpluses of architects in Bulgaria, of meteorologists in Hungary and of ship-building engineers in Poland; and there have also been widespread complaints about the quality of the training given.

An earlier study[91] concluded that the existing number and the rate of increase of highly trained engineers and technicians in Czechoslovakia, eastern Germany, Hungary and Poland compared favourably with that in the industrial countries of western Europe, and that the Soviet Union appeared to have a distinct advantage over most other countries. It was pointed out, however, that inexperience and deficient training were countervailing factors in eastern Europe and that, in addition, a higher proportion of qualified technicians tended to be diverted into planning and administration in these countries than was the case in most western industrialized countries.

---

[88] The absence of other training facilities has given such a monopoly to Albanian Labour Reserve Schools which, beginning in 1952 with 667 pupils, now number their annual graduations in thousands. Apprenticeship in small craft workshops is still, however, common.

[89] Data allowing a comparison of the numbers of graduates of vocational schools with the gross intake of labour do not exist.

[90] Speaking in the *Sejm* in April 1957, Mrs. Semczukowa said, "We have turned the vocational training programme upside down. We have created a system of employment of workers, engineers and clerks which has eliminated the need to acquire adequate vocational qualifications... Indeed, there is no material incentive to learn, as an illiterate operating a lathe earns the same as a vocational school graduate."

[91] See the *Economic Bulletin for Europe*, Vol. 9, No. 1, p. 51.

(iii) The market forces

Although administrative measures, including the organization of education and training, have played a major role in the distribution of labour in the Soviet Union and eastern Europe, market forces have also played a part which in recent years has become increasingly important. The influences affecting the over-all supply of labour (such as the level of real wages, facilities for working mothers and old-age pension schemes) have been discussed in section 1; and the following paragraphs therefore deal only with incentives influencing the occupational or regional distribution of the labour force.

It must at once be said that the systems of wage and other incentives deliberately established by official employment policy have never been sufficiently effective to secure the desired distribution of labour, even when reinforced by the normal administrative measures described above. The practice of using soldiers and prisoners to supplement the regular labour force of industries such as mining and construction, and students, special teams of workers from other sectors, etc. to provide seasonal help in the state sector of agriculture, has therefore been general throughout the region.

The systems of incentives introduced in eastern European countries in the late 1940s, and generally copying more or less faithfully the Soviet model, were logically conceived. Basic wage rates varied amongst economic sectors and amongst different branches of industry according to the scale of relative economic importance established by the planning authorities; within each industry, rates were differentiated according to skill (usually in eight categories), and regional priorities were also reflected in appropriate supplements to basic wages. Moreover, wage differentials were reinforced by differential social benefits and allocations of scarce consumers' goods and of housing. But a second pattern of wage incentives — designed to encourage maximum physical input of labour by the individual worker — was superimposed on the first, and this tended increasingly to divorce actual earnings from basic wage rates.

The workings of this system were described in the SURVEY for 1956.[92] Its main defects arose from the fact, first, that the share of earnings derived from piece-rates was generally high in relation to the basic wage and, secondly, that most piece-rate norms were neither initially fixed with full understanding of all the technical and organizational conditions involved nor quickly adjusted to technical progress. In consequence, average earnings tended to be higher, and to rise fastest, in those industries where technical progress was most rapid and the share of " technically fixed " norms low. Rewards for skill could, moreover, become negligible or even negative within a particular industry if over-fulfilment of norms was easier in an unskilled than in a skilled occupation, and unskilled labour in one branch of industry (not necessarily a priority branch) might bring higher earnings than skilled work in another. The complications of the system also made it easy for enterprises to compete for labour by manipulating norms or grades within the limitations imposed by their rather loosely controlled total wage bills; but the adjustments of labour supplies brought about by competition of this kind rarely favoured the priority sectors.

Thus the controlled and uncontrolled market forces working within the socialist sector tended in most countries to develop patterns of earnings that frequently conflicted with the aims of employment policy, and also encouraged considerable instability of the labour force as attempts were made — branch by branch or region by region — to adjust earnings more closely to the desired pattern of wage rates.[93] At the same time, varying opportunities for illegal earnings from one occupation to another and marginal competition from opportunities for work outside the state sector have also interfered with the planned pattern of wage incentives.

In agriculture, private farming (either private plots in collective farms, small-holdings of peasant-workers or seasonal employment as a farm-hand in the few remaining larger private farms) has offered rewards for work in peak periods much higher than earnings in the socialist sector inside or outside agriculture.[94]

---

[92] See Chapter I, section 6, " Wage systems and incentives ".

[93] Examples of divergences of earnings from the planned patterns of wage rates are numerous. In eastern Germany, basic wages in brown-coal mining are 10 to 15 per cent higher than in heavy engineering, but average earnings 2 per cent lower (*Einheit* No. 8, 1957). Also in eastern Germany, a tractor-building enterprise managed to attract most of the semi-skilled workers from neighbouring potash mines by paying 36 per cent more in grade III and 21 per cent more in grade IV, although the basic wages in potash mining were 10-15 per cent higher. (*Arbeit und Sozialfürsorge* No. 10, 1956). In Hungary, a survey in June 1954 showed variations from one factory to another of up to 70 per cent in the earnings of metal workers with comparable degrees of skill (*Statisztikai Szemle* No. 6, 1955).

[94] In Hungary in 1954, private peasants paid up to 120 forints —three times the average daily earnings in industry—for a day's work in peak periods (*Társadalmi Szemle* No. 8-9, 1954).

In industry, building and services, private individuals can rarely hire labour permanently, but pay very high prices for occasional work; and this " black market " for occasional labour is particularly profitable for workers who manage to use tools or materials obtained from their enterprises. Skilled workers in building and allied trades can frequently earn more by a few days of private work than during a month of normal employment, and this contributes greatly to absenteeism and high turnover. Renewed encouragement of handicrafts in some countries in the recent past increases the competition with large-scale industry for the most skilled workers.

However, even if differences in individual money earnings had more closely reflected the desired labour distribution, they could hardly, in the conditions of most countries of the region, have been a determining factor in the choice of work. In the first place, the possible margins have been too small in terms of purchasing power. With housing scarce but cheap, basic services also cheap, food more expensive but partly provided at low prices by enterprise catering, and industrial consumers' goods very highly priced in most countries, differences in individual earnings would have had to be very large to provide noticeable variations in living standards. Secondly, no salary differential could make up for the loss of a dwelling or make it possible to acquire a new one, unless this was provided by the new employer. Finally, for many families, the combined income of husband and wife was the determinant of the standard of living, and it was not worth while for a man to take a better-paid job if this involved moving to a locality where no work was available for his wife. Some of the attempts made to bring order into the chaos of relative earnings that had developed by about 1956 were described in the last SURVEY. These have continued during the past year, but the inadequacy of the present wage systems as a means of implementing rational employment policies remains everywhere a matter of continuing concern.

4. LABOUR MARKET TRENDS AND THE CURRENT EMPLOYMENT PROBLEMS

In a planned economy, full employment can be defined in two different ways—either as a situation in which all those seeking gainful employment are able to obtain it, or as one in which this level of employment is achieved without having either excessive numbers occupied in administration and the armed forces, or redundancy within enterprises (i.e., a substantial amount of seasonally idle labour, or even a permanent element of marginal labour with negligible productivity).

Up to a point, it is relatively easy to achieve formal full employment in the sense of the first definition, since the state is free to expand employment regardless of cost. The main obstacle to achieving this type of full employment in all circumstances is the fact that if the potential labour force is increasing relatively quickly, and outstripping the growth of food supplies and capacity or materials available for production of consumers' goods, real earnings per head of the workers employed may be reduced. This may well be politically difficult, or even impossible to face. Moreover, if the utilization of labour reserves has not already been pushed very far, a decrease in per capita earnings of people actually employed tends, if living standards are low, to produce a substantial increase of the marginal labour supply.

To ensure the productive employment of those formally employed is a more complicated task, its accomplishment depending essentially on success in expanding output in the basic industries and imports of fuels and raw materials in line with the growth of capacity and technical progress in the processing branches.

For the achievement of full employment in either of these senses, the simple Keynesian approach via a stimulus to investment is of little relevance in the conditions of the Soviet Union and eastern Europe, since a rise in investment activity has less employment-generating influence, in the short run, in a planned than in a free market economy. In the former virtually no " employment multiplier " is at work: building a new factory, for instance, will provide employment for construction workers first, and for the factory personnel later, and possibly also for some subsidiary industries and transport; but there will be no genuine chain reaction, since the volume of employment in a centrally planned economy does not depend on the volume of effective demand (or expectations of its development) but is rather a function of available resources and administrative decisions as to their utilization. Indeed, to the extent that an increase in investment implies a rise in imports of machinery at the expense of imported raw materials, or a shift in the distribution of resources away from consumption, it may — at least in the short run — actually add to the difficulties of achieving genuine full employment.

The remainder of this section endeavours to trace the evolution of labour market conditions in the Soviet Union and eastern Europe since the end of the war and to analyse the problems of employment policy that now exist in these countries.

(i) The changing labour market in five eastern European countries

In spite of divergences in immediate post-war conditions, due chiefly to traditional differences in the labour-to-land ratios and to the different effects of war losses, it is possible to discern three distinct phases of development of the labour market in the subsequent years which are common to the less industrialized countries of the area — Poland, Hungary, Rumania, Bulgaria and Albania. In Czechoslovakia during the whole period under review, and in eastern Germany after about 1952, the demand for labour was never fully satisfied, and the situation was thus very different from that of the five countries just mentioned. In the Soviet Union, on the other hand, the trend of developments in the labour market over a longer period was not dissimilar to that described below, but war disruptions have probably prevented the third phase from being reached.

The first phase in the five countries here considered covered the period roughly up to 1951 or 1952, and was characterized in them all by a high and growing demand for labour which could, on the whole, be satisfied by an abundant supply. This was the time when the needs of reconstruction and, later, of the industrialization drive and the building up of a new and complicated administrative structure allowed the employment of the hitherto unutilized urban reserves of labour, and when rural over-population still seemed to provide an almost inexhaustible reservoir of manpower. The only factor tending to lessen the supply was the expansion of educational facilities affecting young labour. This stage offered the planners no significant problem of quantitative imbalance of labour demand and supplies, and their entire effort could be put into the improvement of skills and the attainment of a desirable occupational and geographical distribution of the working population.

The turning point seems to have occurred in the early 1950s, and is illustrated, for Poland, by the figures in Table 21. The expansion of the armed forces then diminished the labour potential available for civilian use; large-scale collectivization, which — it had been hoped — would free further contingents of peasants for industry, hardly materialized outside Bulgaria, and the worsening housing situation in the towns began to limit further inflows; the supply of young labour began to fall off at a time when the most easily absorbed marginal labour was already utilized. These setbacks on the supply side were not at first counteracted by a comparable falling off in the growth of demand for labour, which continued to increase with the rapid growth of investment and rising defence production. This meant that demand was increasing fastest in the most labour-intensive branches of the economy, particularly construction, where, moreover, the growth of labour productivity was almost negligible. In this phase some shortages of labour appeared, particularly in building, basic materials and agriculture.

TABLE 21

Number of registered vacancies and of job-seekers in Poland, 1948-1957

Yearly averages in thousands [a]

Year	Registered vacancies			Registered job-seekers		
	Total	Males	Females	Total	Males	Females
1948	37.4	32.7	4.7	104.3	52.1	52.2
1949	68.6	58.1	10.5	118.8	57.5	61.3
1950	160.2	136.8	23.4	53.7	26.4	27.3
1951	177.2	141.1	36.1	5.4	2.6	2.8
1952	197.4	157.2	40.2	3.5	1.4	2.1
1953	108.4	87.9	20.5	5.9	2.2	3.7
1954	65.0	53.2	11.8	15.3	5.3	10.0
1955	70.3	57.7	12.6	25.8	8.1	17.7
1956	89.8	76.7	13.1	41.9	12.0	29.9
1956 (first half)	87.7	73.4	14.3	46.1	14.3	31.8
1957 (first half)	102.9	82.4	20.5	45.0	15.4	29.6

Source : Direct communication from the Polish Government.

[a] Presumably based on end-of-month figures.

By 1954 or 1955, however, the rate of growth of demand for labour was slackening in response to three main influences — the general easing of the investment drive, growing shortages of raw materials which enforced under-capacity working in some enterprises and rising productivity, especially in engineering. Isolated sectors of labour shortage have persisted, since then, in most countries; but occasional pockets of unemployed or redundant labour have become an increasingly familiar phenomenon. In these conditions, and with the rate of increase of the over-all labour supply and the rate of general economic expansion rather slower than before, employment policy began to appear as a task of increasing complexity not as yet fully within the scope of the existing machinery.

The Appearance of Unemployment in Eastern Europe

The factors tending to limit the expansion of employment opportunities have been reinforced in the last two years in Albania, Poland, Rumania, Bulgaria and Hungary. In the last three countries the volume of investment was reduced in 1956 and 1957; and changes in the structure of investment occurred everywhere, with a higher share of new capital going to private farms, and a drastic paring of expenditure on big new projects. All this tended to reduce the wage-labour content of investment. At the same time decisions to streamline the administrative apparatus have not only created employment problems for the staff released, but also narrowed an important opening for young people leaving general-education schools.

Such reductions in demand have coincided with important, even if temporary, increases in labour supply. Successive reductions of the armed forces have been a major factor, supplemented by the cuts in administration already mentioned and, in Poland, by a large-scale repatriation of Polish citizens from the Soviet Union.[95] At the same time, the new restrictive policies towards admission to higher schools — undertaken with the praiseworthy objective of improving the quality of education at the expense of quantity — have increased the pressure of general school-leavers on labour markets.

This unfavourable interplay of the forces of total demand and supply was superimposed on longer-standing problems arising from the obstacles to labour mobility due to the lack of housing, from the lack of sufficient work suitable for married women and from the economic stagnation of small towns (see section 2). The relaxation of administrative powers of control over labour movements complicated these problems. In particular, the ending of the compulsory direction to work of university and higher technical school graduates in Poland and Hungary, and the more tolerant attitude adopted in other countries, invited some voluntary unemployment among students — who are reluctant to move to the provinces and prefer to wait for openings in more attractive places of abode.

Assessment of the actual incidence of unemployment in the four countries affected is hampered by the lack of statistics. Only in Hungary and Poland are data on the number of registered vacancies and job-seekers released, but even these are very incomplete in coverage, with a distinct bias towards a relative under-registration of people seeking work.[96] But although the published data under-estimate the volume of unemployment by a considerable margin, they throw some light on its composition and possibly on the trends. The official Polish data, shown in Table 22, exhibit a number of interesting features which are, in general, common to other countries.

---

[95] By the end of June 1957 the repatriation had involved about 80,000 persons, and many more are expected to come before the operation is completed by the end of 1958. Emigration, mainly to Germany and to Israel, has in quantitative terms offset this immigration, but has not significantly lessened the problem of finding occupations for the immigrants.

[96] The practice of registration with employment offices is relatively less common among non-manual than among manual workers.

TABLE 22

Registered job-seekers and vacancies in Poland

End-of-quarter or end-of-month figures

		1956				1957		
		First quarter	Second quarter	August	Fourth quarter	First quarter	Second quarter	August
Number of registered job-seekers :								
Skilled workers	Males	5 000	2 385	2 236	2 875	5 037	9 123	2 070
	Females	2 352	1 677	1 653	1 755	2 097	4 137	1 205
Unskilled workers	Males	5 649	2 055	1 528	3 015	6 888	9 838	1 676
	Females	20 519	15 849	15 135	13 870	21 158	36 807	9 191
Non-manual workers	Males	3 743	3 148	2 942	3 778	5 078	10 807	3 256
	Females	6 049	5 416	6 164	6 051	6 481	12 408	4 735
Juveniles [a]	Males	2 062	1 427	1 608	1 806	2 217	3 989	1 134
	Females	4 428	3 543	4 366	4 518	6 887	12 908	3 131
Number of registered job-seekers per 100 registered vacancies :								
Skilled workers	Males	20	7	7	20	24	10	6
	Females	300	122	137	125	106	44	36
Unskilled workers	Males	11	3	3	13	12	4	2
	Females	136	108	146	234	148	45	46
Non-manual workers	Males	171	189	301	281	323	175	177
	Females	690	666	1 192	755	433	226	328
Juveniles [a]	Males	429	259	244	482	185	86	47
	Females	1 716	1 027	1 565	3 703	1 565	366	219

Source : *Biuletyn Statystyczny*, No. 10, 1957, Table 32.

[a] Both manual and non-manual workers.

As can be seen, the numbers registered as seeking work reached a peak of more than 100,000 persons at the end of June 1957 — nearly three times as high as at the same time in 1956. By the end of August 1957, however, registrations had not only fallen off drastically — which could be explained by seasonal factors — but had fallen to a level below that of August 1956 in almost all categories specified. Secondly, the figures show clearly that most of the unemployed are women (75 per cent in mid-1956 and 66 per cent in mid-1957) and that by far the largest group is that of unskilled female manual workers. Thirdly, a comparison of registered job-seekers with the registered vacant posts demonstrates beyond any doubt that, on a nation-wide scale, there is in Poland no lack of employment opportunities for skilled and unskilled male manual workers.[97] Any difficulties for this, the most important category, can be only frictional or arise from geographical immobility. By far the hardest hit are the young new entrants into the labour market and the non-manual workers, among whom women are again in a relatively worse position, though voluntary unemployment is certainly quite frequent among people in these groups. Some difficulties in finding employment for the 17- and 18-year-olds arise from unwillingness on the part of enterprises to take on young workers, who have to be accorded certain privileges in the form of shorter hours, free time for training, etc.; and the apparent improvement in the ratio of juvenile job-seekers to vacancies in the later months of 1957 was partly due to the greater pressure exercised from above on enterprises to advertise suitable vacancies and employ young people.[98]

Before October 1956, the strains in the Hungarian labour market were similar to those in Poland. The repercussions on the labour situation of the uprising in October 1956 were very complex, but fears of massive unemployment proved unjustified, chiefly because of the volume and structure of emigration and of the increase in imports of vital raw materials (often on credit terms).[99]

The Remedies

The appearance of scattered pools of unemployed, even though co-existing with some unsatisfied demand for labour, seems to have caused alarm on a scale rather disproportionate to the gravity of the situation. The concern was the greater since the planners had witnessed a tremendous upsurge in the demand for labour in the late 1940s, had assumed that this would continue unabated, and had been brought up to believe in the impossibility of even limited unemployment in a planned economy.[100]

In fact, the employment figures everywhere have been rising steadily in the last few years, and no important dismissals of workers — apart from administrative staff — have occurred. Given the new balance of labour market forces and the growing complexity of the economies of these countries, some frictional unemployment is inevitable. To keep it to a minimum, the main need is for more careful study than in the past of the probable growth of demand for different types of labour, for measures to create conditions for greater labour mobility and, generally, for an improvement of the machinery for bringing together unemployed workers and spare jobs. The main threat of more general unemployment lies in the widespread redundancy in industry and in the certainty of an approaching large increase in new entrants to the labour market in some countries, both further discussed below.

The causes and nature of the existing unemployment indicate that to force up the level of investment at the expense of the real wages of the workers now employed would not necessarily be a remedy even if it were politically feasible. A lowering of real wages could only add to the pressure exercised on the labour market by dependants, such as married women and the marginal groups at both ends of the age distribution. Moreover, raising the rate of total investment would lead to the expansion of employment opportunities where they are least needed at the moment — i.e., in building and engineering. On the other hand, a change in the pattern of investment in the direction of an expansion of services and of the distribution network could help to lessen the present surpluses by widening employment outlets for women and non-manual workers in general. Increased expenditure on housing is desirable not only because of its direct effect on the demand for labour, but also because it would facilitate spatial mobility. Finally, development of agriculture has a doubly desirable influence in the sense that it eases the pressure of marginal labour by contributing to higher living standards, and that it makes the peasants' exodus less attractive by differentiating incomes in their favour.

---

[97] The situation is probably different in Bulgaria, where, judging by the remedies adopted, unemployment affects male manual workers as well.

[98] An additional problem is presented by town children aged 14 to 16 in the countries where compulsory education ends at age 14 but employment as wage-earners is legally prohibited below the age of 17.

[99] See *Economic Bulletin for Europe*, Vol. 9, No. 1, pp. 67-83, and No. 3, p. 17.

[100] As late as mid-1954 Mr. Csatár, a leading expert on manpower problems in Hungary said: " There is no danger that the reorientation of the economy may create unemployment in Hungary. There is not, and there never will be, unemployment in Hungary. This would be contrary to the very nature of our society engaged in the building of socialism." (*Társadalmi Szemle*, Nos. 8-9, 1954, p. 70.)

Thus the present policy of concentrating on the improvement of the lot of the consumer, even at the expense of some slowing down of the rate of investment, does not run contrary to the requirements of the labour market; [101] and improvements in social welfare schemes which increase old-age pensions and family allowances have similar effects.

Recent changes of pension laws in Bulgaria, Hungary and Rumania, in striking contrast with past policies, have expressly aimed at the curtailment of the labour supply. Thus in Hungary, the 1952 pensions scheme fixed the basic pension at only 15 per cent of the final average wage (plus 2 per cent of the basic pension for each year spent in employment after 1945) and this was granted to men on reaching the age of 60 and to women at the age of 55. But this rate was increased to 30 per cent if the pensioner continued to work up to the age of 65 (or 60 for women) and cumulation of pension and salary was allowed.[102] The 1954 law increased the pension rate to 50 per cent of the final average wage and introduced a substantial minimum benefit, but explicitly barred the pensioner from gainful employment. Official comments emphasized that the new provisions would constitute an incentive for the older working people to retire. Similarly, the new Bulgarian pension law, effective from 1 January 1958, forbids cumulation, but considerably increases benefits and lowers the eligibility age of manual workers to 55 (50 for women). In the same spirit an amendment to the Bulgarian Labour Code authorizes enterprises to dismiss workers aged 55 (or 50) who are eligible for full pension.

In Poland, a new law is in preparation, and it is hoped that its provisions will induce as many as 100,000 (or the majority) of all working pensioners outside agriculture to give up economic activity. In Rumania, there is no legal prohibition of cumulation of pension and salary; but it is understood that a pensioner has no automatic right to keep his job and the matter is left to the discretion of the enterprise. Moreover, at the end of 1956, a six-month period of option was introduced, during which men aged 55 and women aged 50 could anticipate their rights to retire on pension.[103]

Among other measures taken to alleviate difficulties in finding work in Poland is the establishment of an "intervention fund" of about half a billion zlotys which has been put at the disposal of municipal authorities, mostly in the "inactive" towns, for use in 1957 and 1958 for stimulating handicrafts and other labour-intensive projects. In Hungary, where crises at the end of the school year have become a recurrent phenomenon, emergency solutions have included a state subsidy to enterprises in the form of a stipend scheme to provide full- and part-time employment for new graduates and school-leavers. More drastic steps have been taken on an experimental scale in Bulgaria, where, as previously reported,[104] about 10,000 young and mostly unskilled workers left for the Soviet Union in 1957 to take up three years' employment in building, mining and cotton growing: an agreement with Czechoslovakia provided for 5,000 Bulgarian construction workers and others to emigrate, but in fact only 3,500 actually went. In Rumania, a resolution of the Council of Ministers in February 1957 empowered enterprises and institutions to cancel labour contracts of urban wage-earners domiciled in rural areas and/or owning agricultural land (or having family members owning private land) and also those of pensioners and of the holders of more than one job; but it is not certain to what extent those far-reaching powers have actually been used. In Albania, after official complaints about the number of "idlers" in Tirana, land resettlement credits were introduced in 1956 to draw off the urban unemployed.

How far these campaigns against unemployment have been effective is difficult to assess; but, as has been mentioned, the Polish registration figures show a definite improvement in the second half of 1957 compared with the preceding year, and the number of unemployment benefits paid in Hungary (almost exclusively to heads of families) declined from 42,000 in May 1957 to 3,000 in December. In both these countries, however, the placement of unskilled female workers is still said to be difficult.

The other most critical category — young people leaving the general-education schools — poses more complex problems, of social and psychological as well as of economic significance. Their numbers increase as school attendance up to the age of 17 tends to become universal, yet non-manual occupations, for which they strive, are relatively few in services and trade and those in administration have become fewer following the recent streamlining of administrative staffs. Since the time is not far off when the majority of new manual workers will be youths with secondary school education, their negative attitude towards manual work will have to be overcome.[105] Particular attention is being given to this problem in the Soviet Union, where new experimental programmes of teaching — designed to reconcile the pupils to manual work of a " productive " character — have been introduced this year in a number of secondary schools, and where priority for admission to universities is now granted to those secondary-school-leavers who have had at least two years' practical experience of work in industrial enterprises.[106] In eastern Germany also, one year's practical training has now become a condition for admission to a university.

---

[101] But it holds dangers for the future (see below).

[102] The following quotation illustrates the motivation of the scheme: "The pension law elaborated in 1951 and put into effect on 1 January 1952 bore the mark of the contemporary manpower situation. This law provided considerable incentive for old people to remain at work as long as possible. For this purpose, as well as because of our general economic situation, the pensions were fixed at a low level, clearly not sufficient to live on." (*Társadalmi Szemle*, Nos. 8-9, 1954, p. 61.)

[103] A similar three-month period of option was introduced in Hungary at the beginning of 1957, applying to men aged 58-60 and women aged 53-55.

[104] See *Economic Bulletin for Europe*, Vol. 9, No. 2, p. 26.

[105] Mr. Khrushchev, addressing a conference for young builders on 11 April 1956, had, *inter alia*, this to say on the subject: "For some time now a wrong attitude towards work has

In at least two of the countries with some problems of labour surplus, Poland and Rumania, the present strains will be relaxed in the late 1950s as the new generations entering the labour market become smaller. But in 1961 in Poland, and somewhat later in Rumania, the post-war " bulge " will begin to reach the working age and the pressure on employment opportunities will greatly increase.

The persistence of an unemployment problem is bound to retard the improvement of labour productivity. The conflict between the two aims of full employment and less labour redundancy in enterprises has already come to the fore in Poland, in connexion with the introduction of workers' councils and the attempts to peg workers' earnings to the profitability of the enterprise. The moment the management is truly interested in working the enterprise more economically, it tends to consider the possibility of dismissing redundant workers.[107] The Polish Economic Council has estimated redundancy at about one-fifth of total industrial employment, in relation to existing industrial capacity, or about half a million workers. But to dismiss redundant workers when alternative employment opportunities cannot be provided involves social disadvantages that may not be matched by economic gains.[108]

Much of the labour redundancy which appears to exist, to a varying degree, in all countries of the area, is related to inadequate and irregular supplies of raw materials. Inadequate stocks at all stages of production, combined with cyclical fluctuations in output and deliveries of basic materials with the peaks at the end of the reporting periods (month, quarter or a year), impose an even more pronounced seasonal pattern of output in processing sectors also. The result is that enterprises are permanently obliged to keep more workers on the pay-roll than would otherwise be necessary.[109] An improvement in the volume and regularity of raw material supplies would reduce the problem of redundancy only to those enterprises in which labour is genuinely surplus to capacity or in which the removal of some workers would have such a salutary effect on labour discipline that over-all output would not suffer.[110]

(ii) Labour shortages in eastern Germany and Czechoslovakia

Although it has become customary to speak of eastern Germany and Czechoslovakia as countries of labour shortage, an over-all shortage of manpower can hardly be said to exist in eastern Germany. The active population of this area has remained at its 1939 level with industrial processing capacity no greater; there is still some registered unemployment; overtime is infrequent, and hours actually worked seem shorter than in western Germany. Finally, there is now a substantial redundancy (at the present level of raw materials supply) in a wide range of industries. Labour shortages are serious only in mining, building and agriculture, and are almost solely restricted to young male workers (see section 2 above).

The serious feature of the labour supply situation in eastern Germany is that since about 1953 it has become progressively worse (see Annex Table E) and will soon be critical if emigration continues on the present scale—since, in a year or two, the supply of new labour will be drastically reduced as a result

---

appeared among our youth... Some of our young boys and girls, finishing the ten-year school, say, ' It does not befit us, the educated persons, to take up [physical] work on the factory floor, a building site or a farm '... These educated persons forget that they live in a house built by manual workers, that their fathers toiled at a work-bench, and that they eat the bread made on the farms by our labourers.... The Communist Party has set the target of universal secondary education. Does it mean that the person finishing such an education should not work in a factory, workshop or MTS, or on a collective farm ? If so, who will work on the farms and on the building sites ? "

[106] In 50 experimental schools of RSFSR the school week consists of three days of teaching and three days of physical work. It has also been reported that in the 1957/58 school year about one-half of the candidates for admission to higher schools will consist of students with experience of work in industry.

[107] It is, in fact, legally difficult for enterprises to dismiss workers solely on grounds of economic expediency, and this has helped to concentrate open unemployment on new entrants to the labour market.

[108] Opposition to the granting of powers of dismissal to workers' councils has been voiced, for instance, by Professor Kalecki, on the grounds that the social disadvantages of resulting unemployment are not likely to be sufficiently compensated by the advantages of increased productivity. " Because of the shortage of raw materials, it will be impossible to direct the released workers to other enterprises, and it is unlikely that they will move to the labour-deficit branches, such as coal mining or state farms. Their employment in public works would have no financial cover, since most of the savings resulting from reductions of the labour force in the enterprises where they formerly worked will be eaten up by the increased earnings of the workers remaining in these enterprises." (*Nowe Drogi* No. 11-12, 1956).

[109] This is why labour redundancy is, in a sense, unavoidable even in the labour-deficit countries such as Czechoslovakia and eastern Germany (see below).

[110] Experiments carried out in a few enterprises in Poland have in fact revealed some cases in which over-all output has risen after cuts in employment.

of demographic factors (see section 1 above). Selective emigration has been greatly encouraged by the contrasting income distribution policies in eastern and western Germany. Eastern Germany has devoted a much higher share of its " consumption fund " to the non-productive sector of the population (in the form of old-age pensions, social security, schooling, children's welfare, etc.), as well as introducing equal pay for women, with the result that differences in real wages for male workers between the two parts of Germany are so much the greater. Secondly, rationing has tended to minimize the difference between very small and small incomes so that single persons or small families are relatively worse off, as compared with larger family units, in eastern Germany than in the west. The economic incentives for emigration thus tend to be highest for those categories of manpower which are most mobile and economically the most valuable — i.e., young male workers. The current plans for the revision of the wage and price system in 1958 (related to a possible end of rationing) are intended to reverse the present trend by increasing the relative share of national income accruing to the productive sector and, within it, by improving the relative position of manual workers.[111]

Modifications of the wage system could also go a long way to correct the present maladjustments by redirecting surplus manpower into the deficit branches. Until now new entrants to the labour force have clearly been more attracted by the " surplus " engineering sector, for instance, than by the " deficit " mining and building sectors, as the following figures (resulting from a special inquiry in November 1954) indicate:

	Percentage of workers (excluding apprentices) below the age of 30
Quarry workers	22.4
Brickmakers	27.9
Bricklayers	36.6
Miners	32.0
Lathe operators	42.8
Toolmakers	49.6
Electrical engineers	52.5

However, part of the blame for this state of affairs rests, in eastern Germany as elsewhere in the region, on the vocational training policy which has until recently given absolute priority to engineering and almost completely neglected agriculture and basic materials.

In building and agriculture, and to a lesser extent in mining, a considerable scope for improvement lies in further mechanization, which made little progress in the past on account of general under-investment. The pattern of investment envisaged in the current Five-year Plan,[112] however, raises doubts whether much will be done in the branches where labour-saving devices are most needed, though the increase in productivity foreseen in other fields may free some manpower for these branches. It is now recognized that with the approaching entry of the small war and post-war generations into the labour market, the fulfilment of the output targets of the second Five-year Plan depends upon success in raising labour productivity. " In all branches of industry, the planned expansion of output has to be achieved without significant increases in manpower. In some branches of industry, the increase in labour productivity has even to exceed the increase in gross output in order to free labour for other branches of the economy ".[113]

Labour shortages in Czechoslovakia are more general and have existed longer than they have in eastern Germany, but although the branches most affected are the same, chronic labour shortages are reported not only in mining, building and agriculture, but also in metallurgy, transport and electric power. Following losses of workers through migrations, adjustments and re-adaptations involving transfers of industrial workers from one branch to another started in Czechoslovakia almost immediately after the war, and the struggle to fill the gaps in manpower requirements has continued throughout the post-war years. At the end of 1955, however, Czechoslovak industry was still working considerably below capacity, particularly in the basic materials sectors, though in some cases inadequate supply of energy or raw materials was as important as the lack of manpower:

Product	*Production planned for 1956 as percentage of capacity*
Hard coal	80.9
Brown coal	63.9
Lignite	49.2
Iron ore	46.3
Rolled products	67.5
Sulphuric acid	88.3
Nitrogenous fertilizer	73.5
Phosphorus fertilizer	52.3
Cement	61.7

Source: Statistický Obzor No. 6, 1956.

This persisting labour shortage and under-utilization of capacity in industry is paralleled by insufficient cultivation of farm land. A special agricultural plan, introduced by the Tenth Party Communist Congress in 1954, stressed the absolute necessity of increasing the permanent agricultural labour force by 320,000 in the years 1954-1957 and also emphasized the need to

---

[111] A statement to this effect, and precisely in the present context, was recently made by Mr. Ulbricht (*Neues Deutschland*, 20 October 1957). Moreover, the latest administrative measures adopted to restrict the migratory outflow include reinforced controls over border traffic and passport obligation for travel to western Germany.

[112] See *Economic Bulletin for Europe*, Vol. 9, No. 3, p. 19.

[113] Mr. Ulbricht, *Neues Deutschland*, *loc. cit.*

" rejuvenate " the agricultural population. The plan fulfilment report for 1956 claimed 93 per cent fulfilment of this plan by the end of the year, yet the 1957 statistical yearbook shows a decline in the total numbers permanently employed in agriculture by 83,000 during 1956, with employment in the private sector falling by 136,000 persons. This inconsistency may well be due to failure, at the time when the plan fulfilment report was prepared, to allow fully for the effects on movements of individual peasants of the intensification of the collectivization campaign.[114]

Policy in Czechoslovakia is still directed towards mobilizing labour reserves. More than half of the 1956/1957 increment to the total of hired workers outside agriculture consisted of former dependants:

Increment in 1956/1957

(Percentages)

Total increment	100.0
Due to natural increase: Men	28.7
Women	9.4
Female household members	39.6
Pensioners and invalids	12.4
Transfers from agriculture	9.9

Source : Hospodářské Noviny, 15 September 1957.

The provisions of the 1956 pension law were designed to increase the volume of employment by encouraging the eligible pensioners to continue their economic activity. Social policy in Czechoslovakia, as well as in eastern Germany, thus faces a dilemma, since improvements in living standards have undesirable repercussions on the labour market situation by lessening the need for marginal labour to take up or remain in employment.

The total hired labour force in Czechoslovakia is expected to increase between 1956 and 1960 by only 7 per cent, with the absolute annual increments falling during the period. This implies a rate of growth still lower than in the preceding five years and is chiefly explained by unfavourable changes in the age composition of the population. Between 1955 and 1960, the number of persons in the most productive ages 20 to 29 will continue to decline, and in the ages 30 to 34 will begin to decline (see Chart 1). Since the scope for transfers from private farms in Czechoslovak conditions is almost nil, increased reliance will have to be placed on further increases in female activity rates, and this in turn will have to be achieved by some movement of men between occupations so as to make room for female workers wherever feasible. It seems, however, that further transfers of Slovaks (most of them certainly from rural areas) into the Czech lands is expected. The manpower balance sheet of Slovakia for the years 1956-1960 includes on the demand side " the need to help the Czech lands " estimated at 19.7 per cent of the total additional demand for labour.[115]

Possibilities for International Co-operation

The co-existence of labour shortages in some countries and surpluses in others suggests, at first glance, that co-ordination of their employment policies and manpower transfers among them could be helpful. A modest step in this direction was made this year when, as mentioned above, some Bulgarian workers went to Czechoslovakia and to the Soviet Union. Once a certain shyness over the acknowledgement of employment problems is overcome, there is no reason why co-operation in this field should not be undertaken on a larger scale and become a subject of common study, particularly since there is a tradition of considerable migratory flows within the region.

However, the analysis attempted above indicates that a mechanical balancing of surpluses and deficits could hardly provide a solution. The labour-deficit countries — eastern Germany and Czechoslovakia — would no doubt welcome outside recruitment for their deficit branches, but the needs of the latter rarely match the type of labour which is redundant in the countries with labour surpluses. Whereas transfers of Bulgarian agricultural labour or, on a more limited scale, of some Rumanian unskilled workers, would perhaps be practicable, neither Polish nor Hungarian agriculture could afford a loss of young males; and it is difficult to see how Czechoslovak or eastern German agriculture, mining or building, could offer effective inducements to the young people leaving Polish or Hungarian general-schools who constitute an employment problem in their own countries.[116]

But although a common labour market in eastern Europe would probably not be very helpful in alleviating the present strains,[117] some scope exists for coordinated schemes for the training and exchange of highly skilled personnel. This could help to mitigate the effects of local over-production of some specialists, which has been mentioned in section 3 above. Moreover, the needs of employment policy could be taken into account in the plans for an increased degree of economic specialization among the countries of the region: labour intensity of the various economic branches could, for example, be included among the criteria for determining specializations. Such an approach would, however, need to be adopted with caution, since labour surpluses are associated with the less industrialized countries. The concentration of their output on the most labour-intensive fields (i.e., on primary production) would thus tend to perpetuate their under-industrialization.

---

[114] Lack of certainty about developments in the recent past is implied in the recent announcement of a special agricultural census to be taken this year. The announcement attributes the fall in numbers in agriculture partly to the unfavourable age structure of the rural population. (*Rudé Právo*, 8 January 1958.)

[115] See *Ekonomický Časopis*, No. 1, 1957.

[116] There may nevertheless be scope for more complex adjustments, particularly in Bulgaria and Rumania, but also to some extent in Poland and Hungary. In these countries, jobs fully suited to women are frequently occupied by robust young men, simply because of their relatively abundant supply. In the long run, and if appropriate incentives could be devised, migratory flows of young men (on a temporary basis) might be linked with an increase of female employment opportunities in these countries.

[117] Some Polish labour economists consider it likely, however, that the particular situation of Poland after 1960 may necessitate emigration on a larger scale (see J. Obodowski, *Życie Gospodarcze* No. 27, 1957).

(iii) Some labour problems of the Soviet Union

The Shrinking Supply of Labour

As has already been mentioned, labour supply problems created by war losses in the Soviet Union were largely solved in the immediate post-war years by drawing on marginal labour reserves and by the intensification of transfers from agriculture. Although the shortage of young males must have been very acute immediately after the war, the situation was no doubt gradually improving in the following years when the large pre-war generations reached working age. Nevertheless, as compared both with the pre-war and the immediate post-war trends, the rate of growth of the active population and the rate of change of its structure (both of the share of non-agricultural employment in total active population and of the distribution within the non-agricultural sector) slowed down markedly during the fifth Five-year Plan (1951 to 1955).

There are strong grounds for believing that the rate of change will slow down still more during the 1956-1960 quinquennium. The numbers of young men and women attaining working age each year will very soon begin to fall sharply (see Chart 4), and there is little hope of counterbalancing this factor by increased activity rates, since the most obvious reserve — female labour — has already been practically exhausted. On the contrary, the programme for lengthening obligatory schooling and the revision of social security laws will tend to reduce participation rates at both ends of the age distribution.[118] A further contraction of the effective labour supply will result from the announced decision to shorten the working day to seven hours before 1960. It is an inescapable conclusion that virtually the only source which could still be tapped to augment civilian employment is the armed forces, though a decision to do so could hardly be taken on grounds of economic exigency alone. In fact, a cut in the armed forces of 300,000 during 1958 has recently been announced.

The slowing down of the rate of growth of the active population, combined with the appearance of obstacles to further transfers from agriculture has led, at least temporarily, to a situation unusual in the Soviet Union, in which the size of the available labour force becomes a factor limiting the rate of growth of the economy. This is one reason why the original directives of the sixth Five-year Plan envisaged the expansion of gross industrial output by only 65 per cent, as compared with the 85 per cent increase over the years 1951 to 1955, and why improvements in labour productivity were expected to contribute as much as 85 per cent of the total expansion of output between 1956 and 1960 as compared with only about two-thirds over the preceding quinquennium.[119]

It has been a usual experience in the past to see the employment plans in industry exceeded, with productivity plans falling short of expectations; but in present conditions it is doubtful whether unforeseen expansions of employment can occur on a similar scale. The success of the current production plans will therefore depend as never before on the better utilization of labour, greater intensity of work and the attainment of higher capital-to-labour ratios.[120] A characteristic feature of thinking today is the new attitude towards the deployment of obsolete machinery: in the past, the retirement of machinery in working condition was regarded as inadmissible in a planned economy, but great stress is now laid on the need for replacement of obsolete equipment. In line with this attitude, the "stakhanovite" and "shock-worker" movements have been receding into the background, and prominence has recently been given to "innovators" — workers and technicians who suggest a better organization of work or design better tools for it.

---

[118] There is little doubt that the substantial increases in old-age pension benefits granted in 1956 (see *Economic Survey of Europe in 1956*, Chapter I) and the increase in the coverage of the old-age and other pension schemes, will induce many beneficiaries to quit gainful employment, particularly since the new rules virtually prevent cumulation of earnings and pensions. Pensioners remaining in employment are now entitled to a maximum pension of only 150 roubles if their earnings are less than 1,000 roubles, and lose even this privilege if their earnings exceed this sum.

[119] The total number of hired workers was expected to increase by about 6.5 million, or only 14 per cent, in the years 1955-1960, as against more than 9 million (24 per cent) during the fifth Five-year Plan.

[120] The difficulty expected in securing a building labour force of sufficient strength to carry out the ambitious new housing programme launched in 1957 is illustrated by the insistence on self-help of the interested parties. According to the Head of the Building Department in the Central Committee of the Communist Party, more than 50 per cent of the total state housing programme in towns and industrial centres in the years 1957 to 1960 should be executed by industrial enterprises whose staffs will benefit, with the active contribution of the workers themselves (*Partiynaya Zhiyzn*, No. 21, 1957). Normally, over 80 per cent of all building in the state investment programme is carried out by contractors.

There is also scope for some redistribution of labour resources. Cuts in administrative staff have already been mentioned, and it appears that some labour surpluses exist now in engineering. In some industrial branches, moreover, productivity is officially expected to increase faster than total output, implying the possibility of relocation of redundant labour. (*Sotsialistichesky Trud* No. 6, 1957.)

Obstacles to Further Shifts from Agriculture

The limitations on the expansion of industrial labour already mentioned are greatly aggravated by a diminished scope for further transfers of farm labour. During the fifth Five-year Plan, rural depopulation seems already to have been halted. With productivity rising slowly from its present low levels, it may not be possible to attain the new targets for farm output without at least the present total labour force and an improvement in its sex and age structure. The change envisaged in the pattern of output implies an increased weight of the most labour-intensive sectors, such as animal husbandry, and the virgin land campaigns require not only new labour, but especially young males. Although a big expansion of the supply of agricultural machinery is envisaged — and will eventually increase output per man — a large part of it will in the first instance have to go to the eastern regions. Moreover, the increased production of machinery will generate its own labour requirements.[121]

Even if farm labour could be spared for other branches of economy (and there is no doubt that in the long run this will again become feasible), other factors reduce the likelihood of the peasant exodus continuing in the near future on the mass scale experienced in the past. Experience in the Soviet Union, as elsewhere, suggests that emigration to towns or abroad is invariably stimulated mainly by economic difficulty in the countryside; and the gap between urban and rural standards of living in the Soviet Union, though still considerable,[122] has narrowed markedly during recent years. According to official indices, the real wages of hired workers (mainly outside agriculture) rose between 1950 and 1956 by 44 per cent, while the real incomes of peasants increased by 68 per cent; but these figures do not tell the whole story, since the new agricultural policy, giving incentives for a rapid expansion of production in both private and communal holdings, started only in mid-1953. The figures in Table 23 indicate not only the extent of the improvement in farm consumption levels, but also the narrowing of the gap between the standards of farmers and those of industrial workers brought about by the rise in farm incomes between 1953 and 1956; and this trend should accelerate in 1958 with the abolition of compulsory deliveries from private holdings. The economic and psychological consequences of this step will further deter the peasants from leaving the land, particularly since the majority of those moving will probably have to go to the Asiatic regions of the country.

TABLE 23

Changes in per capita consumption of food and industrial articles in the Soviet Union

Article	Consumption in 1956 (Index numbers — 1953 = 100)	
	Industrial workers	Collective farmers
Food :		
Bread and flour products	93	102
Potatoes	96	89
Vegetables	107	107
Meat and lard	113	148
Fish and fish products	121	157
Milk and milk products	126	135
Eggs	119	150
Sugar	102	152
Confectionery	111	148
Industrial products :		
Textiles: All	85	123
Of which : Wool	79	155
Silk	128	455
Footwear: All	99	130
Of which : Leather footwear	102	150
Total money expenditure :		
Clothing	110	215
Knitted wear	128	200
Furniture and household utensils	119	188
Cultural expenses (including books, papers, radios, musical instruments, watches, bicycles and motor-cycles)	150	293

Sources : Calculated from tables in *Narodnoe Khozyaistvo SSSR v 1956 godu.* The data are based on family budget sample inquiries involving 14,800 workers' families and 25,900 farmers' families.

The Problem of Geographical Distribution

While the problems arising from the marked fall in the rate of growth of the over-all labour supply are of a more or less temporary character — since the population is growing fast and the traditional flow of workers from the farms to industry should be at least partly restored in the not too distant future — the need for geographical redistribution of both industrial and farm labour gives rise to more fundamental difficulties.

It is fairly clear that the maintenance of the rate of growth of the Soviet economy on a scale approaching that of the past depends upon the rapid development of the Asiatic regions. According to the original directives of the sixth Five-year Plan, about half of the total investment funds in the years 1956-1960 were to be expended for the development of the eastern areas.[123] By 1960 they were to produce more coal and smelt more iron than the whole Soviet economy in 1950, and consume more electric power and cement than the whole of the country in 1954. Industrial production in western Siberia was to rise to more than double the 1955 level and that of eastern Siberia to increase by 134 per cent, while the national index was to increase by only 65 per cent. By 1960 the grain output of the Ural region, Siberia and Kazakhstan was to be double that of the Ukraine.

---

[121] The original directives of the 1956 to 1960 plan foresaw the production of 1.65 million tractors (in 15 h.p. equivalent) or 20 per cent more than during all previous five-year plans taken together.

[122] Urban purchases per capita of non-food products were estimated to be three times as high as in rural areas in 1955 (see *Economic Bulletin for Europe*, Vol. 9, No. 3, p. 64).

Such a rate of expansion will require large inputs of labour for which virtually no local resources exist. Even though certain factors will tend to reduce labour requirements — the ease of exploitation of some basic materials such as coal (see Table 18) or the extensive nature of agricultural production, which easily permits mechanization [124] — such advantages are offset by the need for infrastructure investment. Railways, roads, electricity grids, stations and ports will have to be built, as well as houses and communal buildings.

It was estimated that, of the net increment of seven million workers and employees to be expected in the years 1956 to 1960, about three million would be needed in the eastern regions; [125] and that, because of the large movements out of the area; [126] not less than one million hired workers would have to enter the region every year in addition to those needed by the collective farms.[127] An immense effort will be needed to mobilize the human resources required. The directives stressed the voluntary character of recruitment; but strong social pressure, particularly within the Komsomol organizations, is also being exerted, since higher wages do not offer a sufficiently powerful incentive. The reliance on youth is characteristic, not only because it is more sensitive to appeals to the pioneering spirit, but also because the resettlement of the young is faster, easier and cheaper to accomplish.[128]

Economic plans built solely on pioneering enthusiasm may easily go wrong, even when reinforced by positive incentives and by the fact that more attractive towns in the west of the country are closed to new settlers. But even if sufficient numbers of volunteers are forthcoming, it may be doubted whether so many young people can be spared from the European part of the country at a time when the number becoming available for work each year is about to be halved.

---

[123] Since one of the official reasons given for superimposing the new Seven-year Plan on the Five-year Plan was the discovery and the need for exploitation of new natural resources, it may well be that the Seven-year Plan will give still more attention to the eastern regions.

[124] The sown area of the state farms in the whole of the Soviet Union has increased by as much as 89 per cent in the two years 1954 to 1956, chiefly through the addition of new lands. Over the same period the value of state farm produce seems to have increased by about 80 per cent, with the number of workers increasing merely by 14 per cent and productivity per worker by as much as 58 per cent. Since the value of output per hectare sown has remained almost stationary and the extent of mechanization — measured by the average number of tractors per hectare sown — has actually declined, these trends not only indicate the labour-saving gains of the virgin land campaign, but also suggest relative over-employment on state farms in 1954.

[125] *Stroitelnaya Gazeta*, 1 April 1956.

[126] The outflow from the area must have been particularly heavy after the recent amnesties, which have affected not only individuals, but whole ethnic groups deported during the war. To avoid breakdowns in the functioning of the collective farms and enterprises concerned, the return of the Balkars, Kalmyks and Karachais were scheduled for 1957 and 1958, and that of the more numerous group of Chechens and Ingush is to be spread over the period 1957-1960. (A. F. Gorkin at the Supreme Soviet, February 1957.)

[127] See Daszkiewicz in *Przeglad Zagadnien Socjalnych*, No. 6, 1956.

[128] Thanking the 300,000 young men and women who had responded to the call to participate in the virgin lands campaign, Mr. Khrushchev stated (at the XXth Party Congress): " Had we undertaken to develop virgin lands in the usual way, by the gradual resettlement of people in the new areas, we would have required a tremendous number of people, vast resources and much time." Nevertheless, resettlement of whole collective farms and of farmers' families is also considered, as is indicated by discussions of the legal aspects of such transfers (*Sovetskoe Gosudarstvo i Pravo* No. 9, 1957).

TABLE VII-A

Sex ratios (females per 100 males) in broad age groups

Age group	Bulgaria				Czechoslovakia				Eastern Germany				Hungary				Poland			
	1934	1946	1955	1970	1930	1950	1955	1970	1939	1950	1955	1970	1938	1950	1955	1970	1939	1950	1955	1970
0–14	96.0	96.1	96.0	96.2	98.1	96.8	95.6	94.5	95.9	96.1	95.9	94.5	98.1	96.7	95.8	95.6	97.4	97.4	96.3	95.1
15–39	98.3	98.2	98.1	96.6	104.2	101.5	101.1	96.9	95.6	136.5	120.1	97.8	100.8	106.3	103.8	99.7	103.2	108.1	105.1	98.2
40–59	107.3	103.6	99.2	100.8	115.4	109.3	107.3	107.1	117.9	135.3	139.9	151.7	115.6	112.6	111.7	112.2	116.0	117.2	118.2	114.7
60 and over . . .	99.4	111.4	121.3	108.6	120.7	138.0	138.5	124.4	116.7	134.9	144.3	156.8	112.4	128.8	134.1	129.8	125.0	147.9	150.9	141.6
All ages	99.0	99.9	99.9	99.2	106.2	106.0	105.1	102.2	103.5	125.3	123.8	117.5	104.3	107.8	107.0	105.7	104.9	109.6	108.2	104.5

Source : calculated from age and sex distribution presented in Table VII-C.

TABLE VII-B

Trends in crude birth and death rates and in rates of natural increase

Rates per thousand of population

Year	Bulgaria			Czechoslovakia			Eastern Germany [a]			Hungary			Poland			Rumania [b]			Soviet Union		
	Crude birth-rate	Crude death-rate	Natural increase	Crude birth-rate	Crude death-rate	Natural increase	Crude birth-rate	Crude death-rate	Natural increase	Crude birth-rate	Crude death-rate	Natural increase	Crude birth-rate	Crude death-rate	Natural increase	Crude birth-rate	Crude death-rate	Natural increase	Crude birth-rate	Crude death-rate	Natural increase
1932 . . .	31.5	16.3	15.2	20.1	13.9	6.2	15.1	10.8	4.3	23.4	17.9	5.5	28.9	15.0	13.9	35.1	21.1	14.0	..	..	..
1933 . . .	29.2	15.6	13.6	18.4	13.5	4.9	14.7	11.2	3.5	21.9	14.7	7.2	26.5	14.2	12.3	31.2	18.5	12.7	..	..	..
1934 . . .	30.1	14.1	16.0	17.8	13.0	4.8	18.0	10.9	7.1	21.8	14.5	7.3	26.6	14.4	12.2	31.4	19.9	11.5	..	..	..
1935 . . .	26.4	14.6	11.8	17.0	13.3	3.7	18.9	11.8	7.1	21.1	15.2	5.9	26.1	14.0	12.1	30.1	20.1	10.0	..	..	..
1936 . . .	25.9	14.3	11.6	16.6	13.0	3.6	19.0	11.8	7.2	20.3	14.2	6.1	26.2	14.2	12.0	31.6	19.3	12.3	..	..	..
1937 . . .	24.3	13.7	10.6	16.3	13.1	3.2	18.8	11.7	7.1	20.0	14.1	5.9	24.9	14.0	10.9	30.5	18.9	11.6	..	..	..
1938 . . .	22.8	13.7	9.1	16.7	13.2	3.5	19.6	11.6	8.0	19.9	14.3	5.6	24.3	13.7	10.6	29.5	19.1	10.4	..	..	..
							(18.0)	(11.8)	(6.1)												
1939 . . .	21.4	13.4	8.0	18.6	13.3	5.3	20.7	12.3	8.1	19.4	13.5	5.9	..	..	..	28.3	18.2	10.1	..	..	..
							(18.7)	(12.6)	(6.1)												
1940 . . .	22.2	13.4	8.8	20.6	14.0	6.6	20.4	13.0	7.4	20.0	14.3	5.7	..	..	..	26.0	18.9	7.1	31.7	18.3	13.4
1941 . . .	21.9	12.7	9.2	20.1	14.0	6.1	18.8	12.3	6.5	18.9	13.2	5.7	..	..	..	23.0	19.3	3.7	..	..	..
1942 . . .	22.7	13.0	9.7	19.7	14.3	5.4	15.2	12.1	3.1	19.9	14.5	5.4	..	..	..	21.4	19.5	1.9	..	..	..
1943 . . .	21.8	13.0	8.8	21.5	14.1	7.4	16.1	12.2	3.9	18.9	13.5	5.4	..	..	..	23.4	18.1	5.3	..	..	..
1944 . . .	22.0	13.7	8.3	22.1	15.0	7.1	14.3	..	..	20.6	17.4	3.2	..	..	..	21.7	19.6	2.1	..	..	..
1945 . . .	24.1	14.9	9.2	19.5	17.8	1.7	12.0	..	..	18.7	23.4	−4.7	..	..	..	19.6	20.0	−0.4	..	..	..
1946 . . .	25.6	13.7	11.9	22.5	13.8	8.7	10.4	22.9	−12.4	18.7	15.0	3.7	..	..	..	24.8	18.8	6.0	..	..	..
1947 . . .	24.0	13.4	10.6	24.2	12.1	12.1	13.1	19.0	−5.9	20.6	12.9	7.7	26.5	11.4	15.1	23.4	22.0	1.4	..	22.1	..
1948 . . .	24.6	12.6	12.0	23.4	11.5	11.9	12.8	15.2	−2.4	21.0	11.6	9.4	29.3	11.2	18.1	23.9	15.6	8.3	..	16.1	..
1949 . . .	24.7	11.7	13.0	22.3	11.8	10.5	14.5	13.4	1.1	20.6	11.4	9.2	29.5	11.6	17.9	27.6	13.7	13.9	..	..	..
1950 . . .	25.1	10.2	14.9	23.3	11.5	11.8	16.5	11.9	4.6	21.0	11.5	9.5	30.7	11.6	19.1	26.2	12.4	13.8	26.5	9.6	16.9
1951 . . .	21.0	10.6	10.4	22.8	11.4	11.4	16.9	11.4	5.5	20.2	11.7	8.5	31.0	12.4	18.6	25.1	12.8	12.3	26.8	9.6	17.2
1952 . . .	21.1	11.5	9.6	22.2	10.6	11.6	16.7	12.1	4.6	19.6	11.3	8.3	30.2	11.1	19.1	24.8	11.7	13.1	26.4	9.3	17.1
1953 . . .	20.7	9.2	11.5	21.2	10.5	10.7	16.4	11.7	4.7	21.6	11.7	9.9	29.7	10.2	19.5	23.8	11.6	12.2	24.9	9.0	15.9
1954 . . .	20.1	9.2	10.9	20.6	10.4	10.2	16.3	12.2	4.1	23.0	11.0	12.0	29.1	10.3	18.8	24.8	11.5	13.3	26.5	8.9	17.6
1955 . . .	20.0	9.0	11.0	20.3	9.6	10.7	16.3	11.9	4.4	21.5	10.0	11.5	29.0	9.6	19.4	25.6	9.7	15.9	25.6	8.4	17.2
1956 . . .	..	..	..	19.8	9.5	10.3	15.8	11.9	3.9	19.6	10.6	9.0	27.9	9.0	18.9	24.2	9.9	14.3	25.0	7.7	17.3

Sources : see Appendix B.

NOTE. – Albania—Birth-rates : 1938—34.7 ; 1954—40.2 ; death-rates : 1938—17.8 ; 1954—12.9.

[a] Up to 1943 the figures refer to the whole of Germany (contemporary boundaries). For the years 1938 and 1939, data adjusted to the present territory of eastern Germany are shown in parentheses.

[b] The 1941 to 1945 data are based on incomplete registrations.

TABLE VII-C

Age and sex distribution of population by broad age groups

Age group	Pre-war [a]			1950 [b]			1955			1960			1965			1970		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Bulgaria									*Thousands*									
0–14	1 101	1 058	2 159	999	960	1 959	1 019	978	1 996	1 058	1 014	2 072	1 031	991	2 022	1 006	968	1 974
15–39	1 212	1 190	2 402	1 499	1 472	2 970	1 523	1 494	3 017	1 610	1 572	3 182	1 627	1 574	3 201	1 624	1 568	3 192
40–59	503	540	1 043	701	726	1 427	887	880	1 766	897	897	1 794	995	1 005	2 000	1 073	1 082	2 155
60 and over . . .	237	236	473	318	354	672	347	421	768	402	468	870	481	537	1 019	572	621	1 193
All ages	3 053	3 024	6 077	3 517	3 512	7 029	3 776	3 772	7 548	3 967	3 951	7 918	4 134	4 107	8 241	4 275	4 239	8 514
									Percentages									
0–14	36.0	35.0	35.5	28.5	27.3	27.9	27.0	25.9	26.4	26.7	25.7	26.1	24.9	24.1	24.5	23.5	22.8	23.2
15–39	39.7	39.4	39.5	42.6	41.9	42.2	40.3	39.6	40.0	40.6	39.8	40.2	39.4	38.3	38.8	38.0	37.0	37.5
40–59	16.5	17.8	17.2	19.9	20.7	20.3	23.5	23.3	23.4	22.6	22.7	22.7	24.1	24.5	24.3	25.1	25.5	25.3
60 and over . . .	7.8	7.8	7.8	9.0	10.1	9.6	9.2	11.2	10.2	10.1	11.8	11.0	11.6	13.1	12.4	13.4	14.7	14.0
All ages	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
									Index numbers (1946 = 100)									
0–14	110	110	110	100	100	100	102	102	102	106	106	106	103	103	103	101	101	101
15–39	81	81	81	100	100	100	102	102	102	107	107	107	109	107	108	108	107	107
40–59	72	74	73	100	100	100	127	121	124	128	124	126	142	138	140	153	149	151
60 and over . . .	75	67	70	100	100	100	109	119	114	127	132	129	151	152	152	180	175	178
All ages	87	86	86	100	100	100	107	107	107	113	112	113	118	117	117	122	121	121
Czechoslovakia									*Thousands*									
0–14	1 958	1 916	3 873	1 633	1 581	3 214	1 876	1 794	3 670	1 997	1 902	3 899	1 991	1 890	3 881	2 108	1 993	4 101
15–39	3 117	3 247	6 364	2 217	2 250	4 467	2 204	2 228	4 432	2 400	2 398	4 798	2 533	2 490	5 023	2 684	2 600	5 284
40–59	1 377	1 590	2 968	1 551	1 695	3 246	1 661	1 783	3 444	1 567	1 653	3 220	1 610	1 709	3 319	1 612	1 726	3 338
60 and over . . .	684	825	1 509	619	854	1 473	680	942	1 622	772	1 099	1 871	894	1 232	2 126	1 027	1 278	2 305
All ages	7 136	7 578	14 714	6 020	6 380	12 400	6 421	6 747	13 168	6 736	7 052	13 788	7 028	7 321	14 349	7 431	7 597	15 028
									Percentages									
0–14	27.4	25.3	26.3	27.1	24.8	25.9	29.2	26.6	27.9	29.6	27.0	28.3	28.3	25.8	27.0	28.4	26.2	27.3
15–39	43.7	42.8	43.8	36.8	35.2	36.0	34.3	33.0	33.6	35.6	34.0	34.8	36.0	34.0	35.0	36.1	34.2	35.2
40–59	19.3	21.0	20.2	25.8	26.6	26.2	25.9	26.4	26.2	23.3	23.4	23.3	22.9	23.3	23.1	21.7	22.7	22.2
60 and over . . .	9.6	10.9	10.3	10.3	13.4	11.9	10.6	14.0	12.3	11.5	15.6	13.6	12.7	16.8	14.8	13.8	16.8	15.3
All ages	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
									Index numbers (1950 = 100)									
0–14	120	121	120	100	100	100	115	113	114	122	120	121	122	120	121	129	126	128
15–39	141	144	142	100	100	100	99	99	99	108	107	107	114	111	112	121	116	118
40–59	89	94	91	100	100	100	107	105	106	101	98	99	104	101	102	104	102	103
60 and over . . .	110	97	102	100	100	100	110	110	110	125	129	127	144	144	144	166	150	156
All ages	119	119	119	100	100	100	107	106	106	112	111	111	117	115	116	123	119	121

TABLE VII-C (*continued*)

Age and sex distribution of population by broad age groups

Age group	Pre-war [a]			1950			1955			1960			1965			1970		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Eastern Germany									*Thousands*									
0–14	1 819	1 745	3 564	2 143	2 059	4 202	1 898	1 821	3 718	1 955	1 860	3 816	2 203	2 086	4 289	2 217	2 095	4 312
15–39	3 472	3 318	6 790	2 407	3 287	5 694	2 580	3 099	5 679	2 840	3 145	5 985	2 967	3 032	5 999	3 176	3 108	6 284
40–59	1 911	2 253	4 164	2 346	3 174	5 520	2 156	3 017	5 174	1 811	2 660	4 471	1 553	2 462	4 015	1 474	2 236	3 710
60 and over . . .	1 028	1 199	2 227	1 265	1 707	2 972	1 335	1 927	3 262	1 437	2 141	3 578	1 566	2 343	3 909	1 601	2 509	4 110
All ages	8 229	8 516	16 745	8 161	10 227	18 388	7 969	9 864	17 832	8 042	9 806	17 849	8 289	9 923	18 211	8 468	9 948	18 416
									Percentages									
0–14	22.1	20.5	21.3	26.3	20.1	22.8	23.8	18.5	20.9	24.3	19.0	21.4	26.6	21.0	23.5	26.2	21.1	23.4
15–39	42.2	39.0	40.5	29.5	32.2	31.0	32.4	31.4	31.8	35.3	32.1	33.5	35.8	30.6	32.9	37.5	31.2	34.1
40–59	23.2	26.5	24.9	28.7	31.0	30.0	27.1	30.6	29.0	22.5	27.1	25.1	18.7	24.0	22.1	17.4	22.5	20.2
60 and over . . .	12.5	14.0	13.3	15.5	16.7	16.2	16.7	19.5	18.3	17.9	21.8	20.0	18.9	23.6	21.5	18.9	25.2	22.3
All ages	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
									Index numbers (1950 = 100)									
0–14	85	85	85	100	100	100	89	88	89	91	90	91	103	101	102	104	102	103
15–39	144	101	119	100	100	100	107	94	100	118	96	105	123	92	105	132	95	113
40–59	81	71	75	100	100	100	92	95	94	77	84	81	66	78	73	63	70	67
60 and over . . .	81	70	75	100	100	100	106	113	110	114	125	120	124	137	132	127	147	138
All ages	101	83	91	100	100	100	98	96	97	99	96	97	102	97	99	104	97	100
Hungary									*Thousands*									
0–14	1 247	1 223	2 471	1 189	1 150	2 339	1 294	1 240	2 534	1 390	1 329	2 719	1 473	1 409	2 882	1 513	1 447	2 960
15–39	1 868	1 883	3 751	1 719	1 828	3 547	1 743	1 808	3 551	1 783	1 861	3 643	1 823	1 851	3 674	1 924	1 918	3 842
40–59	934	1 079	2 013	1 119	1 260	2 380	1 201	1 342	2 544	1 133	1 279	2 412	1 179	1 341	2 520	1 202	1 349	2 552
60 and over . . .	453	509	962	487	627	1 113	527	706	1 233	613	815	1 428	701	913	1 614	787	1 022	1 809
All ages	4 502	4 694	9 196	4 514	4 864	9 378	4 765	5 096	9 861	4 919	5 284	10 203	5 176	5 515	10 690	5 427	5 736	11 162
									Percentages									
0–14	27.7	26.1	26.9	26.3	23.6	24.9	27.2	24.3	25.7	28.3	25.2	26.6	28.5	25.5	26.9	27.9	25.2	26.5
15–39	41.5	40.1	40.8	38.1	37.6	37.8	36.6	35.5	36.0	36.2	35.2	35.7	35.2	33.6	34.4	35.5	33.4	34.4
40–59	20.7	23.0	21.9	24.8	25.9	25.4	25.2	26.3	25.8	23.0	24.2	23.7	22.8	24.3	23.6	22.1	23.6	22.9
60 and over . . .	10.1	10.8	10.4	10.8	12.9	11.9	11.0	13.9	12.5	12.5	15.4	14.0	13.5	16.6	15.1	14.5	17.8	16.2
All ages	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
									Index numbers (1950 = 100)									
0–14	105	106	106	100	100	100	109	108	108	117	116	116	124	123	123	127	126	127
15–39	109	103	106	100	100	100	101	99	100	104	102	103	106	101	104	112	105	108
40–59	83	86	85	100	100	100	107	106	107	101	102	101	105	106	106	107	107	107
60 and over . . .	93	81	86	100	100	100	108	113	111	126	130	128	144	146	145	162	163	163
All ages	100	96	98	100	100	100	106	105	105	109	109	109	115	113	114	120	118	119

TABLE VII-C (*concluded*)

Age and sex distribution of population by broad age groups

Age group	Pre-war [a]			1950			1955			1960			1965			1970		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Poland									*Thousands*									
0–14	5 742	5 593	11 335	3 700	3 605	7 305	4 365	4 202	8 567	5 169	4 940	10 109	5 484	5 227	10 711	5 637	5 359	10 996
15–39	7 263	7 497	14 761	4 820	5 211	10 031	5 124	5 385	10 509	5 399	5 575	10 974	5 898	5 901	11 799	6 497	6 378	12 875
40–59	2 805	3 255	6 059	2 548	2 986	5 534	2 802	3 313	6 115	2 807	3 293	6 100	3 019	3 548	6 567	3 280	3 762	7 042
60 and over . . .	1 198	1 498	2 695	863	1 276	2 139	938	1 415	2 353	1 136	1 697	2 833	1 382	2 001	3 383	1 652	2 340	3 992
All ages	17 006	17 843	34 849	11 931	13 078	25 009	13 229	14 315	27 544	14 511	15 505	30 016	15 783	16 677	32 460	17 066	17 839	34 905
									Percentages									
0–14	33.8	31.4	32.5	31.0	27.6	29.2	33.0	29.4	31.1	35.6	31.9	33.7	34.7	31.3	33.0	33.0	30.0	31.5
15–39	42.7	42.0	42.4	40.4	39.8	40.1	38.7	37.6	38.2	37.3	36.0	36.6	37.4	35.4	36.4	38.1	35.8	36.9
40–59	16.5	18.2	17.4	21.4	22.8	22.1	21.2	23.1	22.2	19.3	21.2	20.3	19.1	21.3	20.2	19.2	21.1	20.2
60 and over . . .	7.0	8.4	7.7	7.2	9.8	8.6	7.1	9.9	8.5	7.8	10.9	9.4	8.8	12.0	10.4	9.7	13.1	11.4
All ages	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
									Index numbers (1950 = 100)									
0–14	155	155	155	100	100	100	118	117	117	140	137	138	148	145	147	152	149	151
15–39	151	144	147	100	100	100	106	103	105	112	107	109	122	113	118	135	122	128
40–59	110	109	109	100	100	100	110	111	110	110	110	110	118	119	119	129	126	127
60 and over . . .	139	117	126	100	100	100	109	111	110	132	133	132	160	157	158	191	183	187
All ages	143	136	139	100	100	100	111	109	110	122	119	120	132	128	130	143	136	140

Sources and methods: see Appendix B.

[a] Bulgaria — 1934, Czechoslovakia — 1930, Eastern Germany — 1939, Hungary — 1938, Poland — 1939.

[b] Bulgaria — 1946.

TABLE VII-D

Number of students in secondary [a] and higher schools (excluding extra-mural courses)

Thousands

		Pre-war [b]	1949/50	1950/51	1951/52	1952/53	1953/54	1954/55	1955/56
Bulgaria :	Total in secondary schools	93.2	..	185.4	193.4	198.1	198.6	212.7	222.9
	General education	82.7	..	113.3	115.0	120.9	120.1	135.8	153.1
	Vocational [c]	10.5	..	72.1	78.4	77.2	78.5	76.9	69.8
	University and equivalent	10.2	..	30.9	30.0	30.0	32.6	32.9	36.3
Czechoslovakia :	Total in secondary schools	122.1	..	..	..	..	171.1	198.8	210.4
	General education	46.6	..	..	..	..	47.2	61.0	59.8
	Vocational	75.5	83.1	94.1	99.3	106.1	123.9	137.8	140.6
	University and equivalent	23.4	41.2	37.5	38.4	42.2	46.7	47.9	48.5
Eastern Germany :	Total in secondary schools	..	..	..	135.7	156.3	173.7	176.8	177.5
	General education	..	..	90.0 *	101.0	113.3	123.0	124.6	128.4
	Vocational [d]	..	..	..	34.7	43.0	50.7	52.2	49.1
	University and equivalent	..	..	27.7	27.8	36.0	45.1	57.5	60.1
Hungary	Total in secondary schools	52.3	82.1	95.8	107.9	119.4	129.8	122.6	119.1
	General education	30.6	44.2	50.0	52.9	57.0	61.5	64.5	71.7
	Vocational	21.7	37.9	45.8	55.0	62.4	68.3	58.1	47.4
	University and equivalent	11.7	20.6	26.5	31.9	36.4	38.4	33.6	30.7
Poland :	Total in secondary schools	416.3	736.9	779.8	770.7	693.2	661.9	650.1	641.5
	General education	221.4	221.4	194.4	185.5	186.9	188.3	145.1	201.4
	Vocational	194.9	515.5	585.4	585.2	506.3	473.6	455.0	440.1
	University and equivalent	49.5	115.5	122.5	137.3	123.8	132.0	143.3	134.6
Rumania :	Total in secondary schools	..	161.4	185.1	197.3	188.9	206.1	172.3	..
	General education	29.0	54.5	55.2	57.3	61.5	75.9	86.8	81.6
	Vocational	..	106.9	129.9	140.0	127.4	130.2	85.5	..
	University and equivalent	26.5	45.8	46.2	49.0	52.4	59.9	61.9	60.3
Soviet Union :	Total in secondary schools	11 779.6	10 323.4	11 287.0	12 840.9	14 026.5	15 569.6	16 752.4	16 802.8
	General education	10 834.6	9 189.5	10 170.1	11 640.9	12 725.8	14 123.4	15 148.7	15 128.9
	Vocational	945.0	1 133.9	1 116.9	1 200.0	1 300.7	1 446.2	1 603.7	1 673.9
	University and equivalent	619.9	778.2	845.1	918.2	971.5	1 042.7	1 146.5	1 227.9

Sources : National statistical yearbooks.

[a] These include in most countries the VIII-X (XI) classes of the standard ten-year school. All types of secondary school, both general and vocational, cover children aged roughly 14 to 17.

[b] Bulgaria and the Soviet Union 1939/40; Czechoslovakia 1936/37, Hungary and Poland 1937/38; Rumania 1938/39.

[c] Including pedagogical schools.

[d] Excluding *Berufsschulen*, which mostly train apprentices already working.

TABLE VII-E — Working population by economic branches

Thousands

		Total population	Working population			Mining and manufacturing	Building and construction	Transport and communications	Trade and catering	State administration	Other sectors
			Total	Agriculture and forestry	Outside agriculture						
Albania	1950	1 219	670 *	570 *	88 [a]	. .	. .	. .	. .	. .	. .
	1955 [b] (2 Oct.) .	1 391	742	554	188 [a]	122	. .	. .	. .	. .	. .
Bulgaria	1934 [b]	6 078	3 299	2 740	559	246	34	40	68	50	161
	1948	7 139	4 071	3 332	739	343	69	34	91	202	
	1949	7 210	4 028	3 180	848	374	109	40	107	93	125
	1950	7 271	4 016	3 176	840	389	78	43	98	94	138
	1951	7 285	3 980	3 058	922	419	95	53	102	98	155
	1952	7 307	3 992	2 979	1 013	442	119	57	115	98	182
	1953	7 384	4 045	2 987	1 058	459	117	73	118	95	196
	1954	7 467	4 086	2 958	1 128	488	123	82	122	93	220
	1955	7 548	4 163	2 992	1 171	503	124	85	124	95	240
	1956 [b]	7 269	4 279	3 034	1 245	528	151	82	136	89	259
Czechoslovakia	1930 [b]	14 004	6 558	2 495	4 063	2 100	395	284	455	[c] — 829 —	
	1948	12 339	5 638	2 337	3 301	1 686	275	284	451	269	336
	1949	12 340	5 640	2 253	3 387	1 689	337	285	454	281	341
	1950	12 464	5 643	2 166	3 477	1 693	381	289	471	279	364
	1951	12 607	5 650	2 031	3 619	1 795	407	293	457	260	407
	1952	12 754	5 660	1 967	3 693	1 829	426	309	447	232	450
	1953	12 892	5 744	1 977	3 767	1 865	437	320	436	226	483
	1954	13 024	5 926	2 018	3 908	1 925	444	333	461	224	521
	1955	13 162	6 037	2 058	3 979	1 968	443	334	474	212	548
	1956	13 292	6 126	2 027	4 099	2 013	467	346	478	210	585
Eastern Germany	1939 [b]	16 745	8 529	1 704	6 825	[d] — 4 143 —	[e]	— 1 523 —		— 1 159 —	
	1946 [b]	18 355	8 683 [f]	2 387	6 296	— 3 680 —		— 1 340 —		— 1 276 —	
	1950 [b] (31 Aug.)	18 388	8 477 [g]	2 067	6 410	— 3 850 —		— 1 300 —		— 1 260 —	
	1950	18 400 *	7 530	1 950	5 580	2 938	380	475	670	— 1 120 —	
	1952	18 300	7 853	1 701	6 152	3 223	485	542	836	— 1 066 —	
	1953	18 112	7 955	1 673	6 282	3 288	508	538	865	— 1 083 —	
	1954	18 002	8 246	1 697	6 549	3 416	477	573	890	— 1 193 —	
	1955	17 832	8 232	1 775	6 457	3 341	487	560	904	— 1 165 —	
	1956	17 603	8 178	1 684	6 494	3 294	485	579	930	— 1 206 —	
Hungary	1941 [b]	9 320	4 305	2 155	2 150	955	103	140	260	[h] 209	[i] 483
	1948	9 204	3 910	2 138	1 772	750	70	161	207	191	393
	1949	9 289	4 077	2 105	1 972	790	125	165	218	206	468
	1950	9 378	4 225	2 082	2 143	808	195	184	237	222	497
	1951	9 458	4 306	2 053	2 253	896	254	200	231	250	422
	1952	9 538	4 349	1 934	2 415	939	295	217	237	262	465
	1953	9 632	4 400	1 910	2 490	1 070	263	231	239	281	406
	1954	9 749	4 470	1 952	2 518	1 111	215	231	268	281	412
	1955	9 861	4 503	1 991	2 512	1 124	210	252	275	283	368
Poland	1931 [b]	32 107	13 615	9 629	3 986	— 2 002 —		315	771 [j]	— 898 —	
	1950 [b]	25 008	12 404	7 090	5 314	2 328	519	469	644	— 1 368 —	
	1955	27 544	13 474	7 000 *	6 400 *	2 900 *	720 *	570 *	660 *	— 1 550 * —	
Rumania	1931 [b]	18 057	9 473	7 708	1 765	678	67	160	260	— 600 —	
	1950	16 311	8 217	6 040	2 177	994	189	150 *	186	214	494 *
	1951	16 464	8 400	6 014	2 386	1 050	302	165 *	227	193	449 *
	1952	16 630	8 520	6 058	2 462	1 040	366	170 *	230	196	460 *
	1953	16 847	8 851	6 160	2 691	1 106	425	190 *	265	221	484 *
	1954	17 040	9 015	6 238	2 777	1 172	379	210 *	297	216	503 *
	1955	17 325	9 203	6 350	2 853	1 206	405	220 *	304	212	506 *
Soviet Union [k]	1937	167 600	68 600	38 700	29 900	14 000	2 600	3 200	2 500	1 200 [l]	6 400
	1940	191 700	79 600	44 100	35 500	15 700	3 000	3 300	3 300	1 500 [l]	8 700
	1955	197 600	85 000	36 600	48 400	20 800	5 200	5 600	3 800	900 [l]	12 100

Sources and methods: see Appendix B.

NOTE. — Estimates not specified as census data refer to the end of the year in Albania, eastern Germany, Hungary, Poland and Rumania and to yearly averages in Bulgaria and Czechoslovakia. No indication of date is available for the Soviet Union. The pre-war figures for Bulgaria, Poland, Rumania and the Soviet Union refer to contemporary boundaries: the other data were adjusted to post-war territory. The end-of-year estimates for eastern Germany do not cover important sectors of civilian employment outside agriculture (for details, see Appendix B): there is no indication of incomplete coverage for the other countries.

[a] Excluding independent artisans in 1950 and including state farms in both years.

[b] Census data.

[c] Employees of all ministries, including industrial ministries, are included in this sector.

[d] Excluding building and service handicrafts.

[e] Including building handicrafts.

[f] Including about 410,000 unemployed.

[g] Including 300,000-350,000 unemployed.

[h] Only civil servants depending on state budget (excluding those employed by the Ministries of Defence and the Interior).

[i] Services and other ancillary administrations: figures obtained by difference (these figures almost certainly include the Army).

[j] Including insurance.

[k] All figures are ECE secretariat estimates.

[l] Including administrative employment in public societies and retail co-operatives.

TABLE VII-F

Distribution of wage-earners outside agriculture

Thousands

	1949	1950	1951	1952	1953	1954	1955	1956
Bulgaria								
TOTAL including state sector of agriculture	779	806	902	1 016	1 086	1 174	1 230	1 262
Total outside agriculture	737	759	836	936	1 002	1 075	1 113	1 135
Industry	324	355	370	397	418	445	459	483
Building	110	76	93	121	121	129	131	123
Transport and communications	54	54	64	70	77	79	82	83
Trade and catering	83	84	92	107	113	119	120	124
Other	166	190	217	241	273	303	321	322
of which :								
Culture and education	72	83	98	114	120	136	146	152
Health	16	21	25	31	36	42	46	50
State administration, communal economy and other administrative bodies	78	83	89	91	88	87	88	83
Czechoslovakia								
TOTAL including state sector of agriculture	2 859	3 217	3 570	3 786	4 046	4 196	4 284	4 404
Total outside agriculture					3 661	3 805	3 873	3 990
Industry	1 547	1 624	1 728	1 799	1 851 [a]	1 900 [a]	1 938 [a]	1 978 [a]
Building	..	..	..	..	427	434	431	454
Transport and communications	..	..	..	..	313	328	331	340
Trade and catering	..	..	..	..	418	444	456	459
Other	..	..	..	..	704	734	751	787
of which :								
Education, science	..	..	..	..	252	230	290	307
Health	..	..	..	..	143	152	155	161
Administration, communal and dwelling services	..	..	..	..	221	225	223	234
Eastern Germany								
TOTAL including state sector of agriculture	..	5 268	5 603	5 816	5 992	6 363	6 411	6 367
Total outside agriculture	..	4 723	5 153	5 418	5 562	5 893	5 928	5 878
Industry	..	2 531	2 754	2 907	2 947	3 086	3 111	2 994
Building	..	336	417	442	451	435	437	431
Transport and communications	..	427	464	497	516	544	546	552
Trade and catering	..	405	505	616	652	724	753	789
Other	..	1 024	1 013	956	996	1 104	1 081	1 112
Hungary								
TOTAL including state sector of agriculture	1 386	1 666	1 904	2 157	2 360	2 416	2 377	2 398 [b]
Total outside agriculture	1 306	1 506	1 691	1 897	2 044	2 085	2 057	2 055
Industry	574	643	720	805	883	933	927	932
Building	80	178	222	260	265	205	177	207
Transport and communications	177	167	186	208	225	241	245	253
Trade and catering	114	144	175	207	241	260	261	257
Other	361	374	388	417	430	446	447	406
of which :								
State administration	191	206	222	250	262	281	281	285

TABLE VII-F *(continued)*

Distribution of wage-earners outside agriculture

Thousands

	1949	1950	1951	1952	1953	1954	1955	1956
Poland								
TOTAL including state sector of agriculture	4 026	4 833	5 322	5 617	6 025	6 262	6 498	6 794
Total outside agriculture	3 653	4 389	4 879	5 131	5 464	5 666	5 868	6 105
Industry	1 670	2 002	2 200	2 313	2 467	2 576	2 691	2 802
Building	308	503	648	711	771	742	730	744
Transport and communications	449	453	472	475	513	543	562	591
Trade and catering	322	487	543	582	606	617	636	655
Other	904	944	1 016	1 050	1 107	1 188	1 249	1 313
of which :								
Communal economy	77	94	100	101	108	118	132	148
Cultural and social institutions	364	386	453	481	520	563	568	654
State administration and banks	344	464	463	468	341	350	362	359
Rumania								
TOTAL including state sector of agriculture	..	2 123	2 416	2 548	2 785	2 858	2 948	2 991
Total outside agriculture	..	1 925	2 202	2 280	2 503	2 595	2 683	2 736
Industry	..	809	893	966	1 028	1 062	1 079	1 101
Building	..	177	291	357	414	376	392	400
Transport and communications	..	146	161	168	180	200	220	216
Trade and catering	..	160	205	221	256	279	298	297
Other	..	633	652	568	625	678	694	722
of which :	..							
Education, culture, science	..	168	159	160	172	178	174	176
Health services	..	82	77	78	82	95	103	108
State administration	..	210	199	201	220	213	209	213
Soviet Union [f]								
TOTAL including state sector of agriculture	31 192	38 895	40 700	42 200	43 700	47 300	48 380	50 537 [e]
Total outside agriculture	28 902	35 792	37 500 *	38 900 *	40 000 *	41 700 *	42 483	44 732 [e]
Industry [c]	10 967	14 144				17 016	17 362	18 500 [e]
Building [d]	1 563	2 569	2 800 *	3 000 *	3 050 *	3 179	3 190	3 550
Transport and communications	3 903	4 624					5 650	5 840
Trade and catering	3 323	1 967	2 018	2 155	2 169	2 339	2 490	2 595
Material supply and procurement		1 397	..	..	..	..	1 295	1 285
Other	9 146	11 091	..	..	..	..	12 491	12 962
of which :								
Education	2 930	3 752	..	..	..	..	4 582	4 776
Health	1 507	2 051	..	..	..	..	2 627	2 736
State and other administration	1 825	1 831	..	..	..	..	1 361	1 342

Sources : statistical yearbooks for all countries and information supplied by statistical offices.

NOTE. — The numbers given above refer in all countries to the yearly averages of wage-earners on the books. In some cases — e.g., eastern Germany — adjustment is made for short-time work, while in Poland there is some double counting, owing to the fact that data are derived from social insurance registers. The figures cover all wage-earners (i.e., both the socialist and the private sector) in eastern Germany and Hungary, whereas in the other countries only wage-earners in the socialist sector are recorded. However, in all countries wage-earners in agriculture (i.e., the difference between the first two lines) include only those employed by state farms and machine and tractor stations.

In several countries the figures exclude certain categories of wage-earner: thus, in eastern Germany those employed in uranium mining, by the occupation forces and by the Ministry of the Interior, as well as by some military enterprises; in the Soviet Union probably those employed by the Ministry of the Interior; in Bulgaria those employed by the church and secret enterprises. Moreover, in Hungary, those employed by the Ministries of the Interior and Defence are not recorded under state administration, but probably under " Other ", although they might be excluded altogether. Finally, apprentices are excluded in Czechoslovakia and Hungary and included in eastern Germany and the Soviet Union, while in the other cases their treatment is uncertain.

[a] These figures continue the series given for 1949 to 1952, which includes some ancillary personnel (52,000 in 1953, 38,000 in 1954, 34,000 in 1955, 28,000 in 1956) counted a second time in other branches. The individual figures therefore do not add up to the total.

[b] Second quarter.

[c] " Production personnel ".

[d] Only those working on building and installation work.

[e] Including 0.6 million in handicrafts, not included earlier.

[f] The figures in the first column are for 1940.

TABLE VII-G

Manual workers by branch of industry

Thousands

Country and year	Total	Mining		Building materials	Metallurgy	Chemicals	Electricity	Engineering	Textiles	Clothing	Leather	Wood processing	Paper	Printing	Food	Others not specified
		Total	Coal mining													
Bulgaria																
1948	211	20	16	16	Not specified	3	2	22	37	12	11	41	2	3	40	1
1949	244	24	20	21		5	2	31	44	13	11	46	2	4	39	2
1950	273	26	20	23		6	3	39	44	11	13	49	2	4	51	2
1951	288	28	19	23		5	3	42	48	15	14	47	2	4	56	2
1952	308	31	20	24		7	4	45	51	17	13	46	2	4	62	3
1953	326	36	22	28		7	5	48	54	21	13	48	2	4	57	4
1954	350	43	27	28		8	5	51	56	23	12	53	3	4	59	5
1955	362	47	30	28		9	5	53	55	24	12	56	3	4	59	5
1956	390	50	31	30		10	6	59	59	25	18	54	3	5	72	6
Czechoslovakia [a]																
1948	1 264	124	97 [b]	82	70	34	15	234	173	38	44	51	23	16	109	18
1949	1 272	121	96	85	74	36	16	251	182	45	44	56	24	15	117	9
1950	1 311	122	97	89	79	38	17	274	170	53	45	62	24	16	128	12
1951	1 369	122	97	88	88	40	17	319	166	51	42	70	25	17	130	13
1952	1 413	128	101	89	94	42	17	354	154	50	37	74	26	15	124	13
1953	1 415	129	103	90	98	44	18	389	150	47	33	69	26	14	122	14
1954	1 441	139	111	90	99	45	19	394	153	45	33	70	27	14	122	15
1955	1 472	140	111	93	98	46	20	402	158	48	35	71	28	15	120	12
1956	1 508	145	116	97	99	49	20	420	160	46	35	71	28	15	120	15
Eastern Germany [c]																
1950	2 256	168	Not specified	137	67	196	51	751	325	— 138 —		144	57	51	170	—
1951	2 443	180		144	79	205	56	825	353	— 153 —		146	57	50	195	—
1952	2 557	185		146	90	215	57	890	347	— 158 —		143	58	51	217	—
1953	2 634	193		144	76	227	58	938	355	98	67	144	59	45	231	—
1954	2 679	208		151	81	236	62	948	360	102	68	142	57	45	220	—
1955	2 683	211		155	81	238	63	938	363	105	66	141	57	41	224	—
1956																
Hungary																
1949	387	60	49	23	31	14	4	111	68	8	4	10	5	9	41	—
1950	444	64	51	30	33	16	5	135	74	14	4	12	5	11	42	—
1951	527	70	56	33	37	18	5	185	79	20	4	16	4	10	45	—
1952	597	79	63	39	40	22	6	215	82	25	3	18	5	8	55	—
1953	656	92	73	47	45	23	8	229	80	27	4	19	5	8	63	6
1954 [d]	674	98	82	45	47	24	9	218	83	31	4	20	5	8	69	13
1954 [e]	682	101	83	44	51	24	14	216	85	29	5	20	5	8	67	13
1955	687	103	86	45	52	25	14	211	87	31	6	19	5	8	67	14
1956 [f]	696	107	89	48	53	27	15	220	85	31	5	19	5	9	64	8
1957 [f]	691	104	87	45	51	28	17	206	90	34	6	20	5	9	67	9
Poland																
1945	608	152	Not specified	35	38	31	20	92	86	25	5	27	9	8	80	1
1946	1 077	210		81	70	69	29	167	181	44	7	62	23	15	117	1
1947	1 292	233		95	81	72	33	208	245	54	7	75	29	20	138	2
1948	1 421	245		100	89	84	34	237	273	66	9	83	31	24	141	4
1949	1 530	240		112	89	88	36	277	305	75	11	87	34	22	147	6
1950	1 780	250		129	95	109	40	338	319	116	23	106	36	24	185	9
1951	1 913	262		134	98	118	39	393	318	138	31	111	38	23	198	11
1952	1 981	258		139	102	127	40	444	304	133	34	121	39	21	207	13
1953	2 084	269		154	118	129	40	486	301	128	30	129	36	21	227	16
1954	2 153	288		167	127	129	41	491	301	121	30	130	38	20	243	28
1955	2 247	306		171	148	150	40	466	323	132	33	136	40	22	249	30
Soviet Union																
1940	8 290	..	436	..	332 [g]	..	..	2 395	1 468 [h]	..	..	..	..	..	1 029	..
1956	15 226	..	968	..	626	..	..	4 539	2 349	..	..	..	..	..	1 563	..

Sources : National statistics.

[a] Totals include workers in local and co-operative industries, for which no break-down by branches is available (they consist mainly of light and food industries). In the years 1948 to 1956 they numbered: 233; 197; 182; 181; 196; 172; 176; 186; 188.

[b] Including other branches of fuel extraction and processing.

[c] Refers to all wage-earners (including those in private industry, but not handicrafts and home workers); manual workers account for roughly four-fifths.

[d] These figures, as well as those for 1949 to 1953, are based on the 1954 industrial classification.

[e] According to the 1955 industrial classification; among other changes they exclude industrial apprentices and include workers in the electric power distribution network (14,000).

[f] January to August.

[g] Ferrous metallurgy.

[h] Light industry.

Appendix A

SUPPLEMENTARY STATISTICS

TABLE I

Annual changes in the supply and use of resources

Available resources in 1953 and absolute changes from year to year — National currencies at 1954 prices

Country and currency		Total resources		of which supplied by:		of which absorbed by:							
		Percentage increase over previous year	In national currencies	GNP at market prices	Imports	Private consumption Total	Private consumption Durables	Public consumption Total	Public consumption Defence	Gross fixed investment Total	Gross fixed investment Dwellings	Change in stocks	Exports
Austria	*1953*		*94.3*	*80.0*	*14.3*	*54.6*	*4.2*	*9.9*	*0.4*	*13.9*	*3.3*	*−0.2*	*16.1*
Billions	1953	1.1	1.0	2.1	−1.1	2.7	0.7	—	−0.1	−1.6	0.2	−4.4	4.3
of Schillings	1954	12.4	11.7	7.2	4.5	4.4	1.5	0.2	−0.4	4.1	0.7	−1.5	4.5
	1955	16.4	17.4	9.6	7.8	6.0	1.2	0.6	0.2	5.0	0.2	4.3	1.5
	1956	4.9	6.0	4.6	1.4	3.6	0.2	0.4	0.7	0.1	—	−2.6	4.5
Belgium	*1953*		*551.2*	*427.2*	*124.0*	*297.9*	*24.5*	*57.6*	*21.5*	*67.4*	*15.9*	*0.3*	*128.0*
Billions	1953	4.3	22.7	14.6	8.1	4.3	0.8	4.5	1.4	5.3	2.9	−4.7	13.3
of francs	1954	5.3	29.1	13.3	15.8	7.8	2.0	−0.8	−0.9	3.8	2.2	5.5	12.8
	1955	5.3	30.5	16.6	13.9	10.4	1.5	−4.6	−3.2	7.9	−0.9	−5.4	22.2
	1956	5.3	32.4	13.5	18.9	8.3	0.8	1.3	0.2	3.8	−1.0	2.8	16.2
Denmark	*1953*		*34 795*	*27 025*	*7 770*	*18 080*	*1 920*	*3 365*	*885*	*4 865*	*815*	*445*	*8 040*
Millions	1953	7.9	2 545	1 560	985	755	310	205	130	415	130	430	740
of kroner	1954	5.8	2 035	644	1 391	1 024	315	176	84	320	90	−95	610
	1955	−0.7	−240	−239	−1	−304	−160	74	−59	−410	−160	−350	750
	1956	2.4	865	325	540	165	60	45	−40	55	−30	400	200
Finland	*1953*		*900.2*	*759.3*	*140.9*	*460.3* [a]	. .	*94.2*	. .	*185.7*	. .	. . [a]	*160.0*
Billions	1953	−1.3	−12.2	32.4	−44.6	−9.5 [a]	. .	6.1	. .	−9.0	. .	. . [a]	0.2
of marks	1954	10.2	92.2	61.7	30.5	40.4 [a]	. .	1.3	. .	25.9	. .	. . [a]	24.6
	1955	8.2	81.2	52.5	28.7	39.2 [a]	. .	9.7	. .	18.5	. .	. . [a]	13.8
	1956	4.7	50.2	28.8	21.4	25.5 [a]	. .	7.0	. .	21.9	. .	. . [a]	−4.2
France	*1953*		*16 740*	*14 600*	*2 140*	*9 950*	*700*	*2 350*	*1 320*	*2 280*	*550*	*140*	*2 020*
Billions	1953	2.4	400	280	120	370	50	40	50	20	30	−160	130
of francs	1954	5.4	903	769	134	422	104	−193	−230	203	70	10	461
	1955	6.8	1 202	1 036	166	851	147	−37	−213	289	61	−20	119
	1956	5.2	988	708	280	560	101	330	. .	188	21	110	−200
Western Germany . . .	*1953*		*164 037*	*143 800*	*20 237*	*86 170*	. .	*21 750*	*6 429*	*28 400*	*7 900*	*2 100*	*25 617*
Millions	1953	9.1	13 652	10 350	3 302	8 570	. .	−300	−1 434	3 750	1 900	−2 700	4 332
of DM	1954	9.9	16 290	10 150	6 140	6 158	. .	600	−479	3 805	900	−376	6 103
	1955	13.2	23 787	18 150	5 637	8 722	. .	500	−180	5 995	600	3 476	5 094
	1956	6.8	13 856	10 050	3 806	7 910	. .	350	−543	2 650	500	−2 750	5 696
Greece	*1953*		*63 416*	*54 315*	*9 101*	*42 659*	*1 065*	*6 453*	*3 067*	*6 560*	*2 264*	*1 577*	*6 167*
Millions	1953	10.9	6 215	6 957	−742	4 571	115	−563	−170	−55	587	859	1 403
of drachmae	1954	5.4	3 433	1 797	1 636	2 079	61	894	324	1 475	234	−1 967	952
	1955	9.1	6 076	4 308	1 768	2 904	165	283	24	549	213	1 137	1 203
	1956	7.2	5 242	3 435	1 807	2 997	75	776	226	1 169	328	325	−25

Ireland	*1953*		*717.9*	*509.8*	*208.1*	*377.8*	. .	*75.5*	*9.4*	*71.1*	*14.0*	*5.8*	*187.7*
Millions	1953	4.2	28.8	8.1	20.7	7.0	. .	4.4	0.6	−0.6	−2.3	10.5	7.5
of pounds	1954	0.7	4.7	8.1	−3.4	14.0	. .	−1.0	−1.3	1.8	−0.7	−11.0	0.9
	1955	3.8	27.1	7.1	20.0	21.8	. .	−0.7	−0.4	−1.2	—	15.2	−8.0
	1956	−5.8	−43.7	−17.0	−26.7	−21.6	. .	−0.8	−0.7	−1.7	−0.3	−20.0	0.4
Italy	*1953*		*13 515*	*11 836*	*1 679*	*8 465*	*274*	*1 294*	*483*	*2 265*	*470*	*30*	*1 461*
Billions	1953	8.1	1 017	784	233	603	44	−28	−63	125	35	40	277
of lire	1954	4.2	572	573	−1	188	21	122	60	189	109	5	68
	1955	7.0	984	849	135	340	17	23	−32	255	122	155	211
	1956	4.6	695	510	185	375	12	46	−23	174	52	−53	153
Netherlands	*1953*		*35 650*	*25 300*	*10 350*	*14 600*	*1 100*	*3 650*	*1 400*	*5 000*	*900*	*200*	*12 200*
Millions	1953	11.4	3 650	1 950	1 700	600	100	300	100	350	50	850	1 500
of guilders	1954	11.8	4 200	1 350	2 850	900	100	200	200	750	50	1 000	1 350
	1955	7.4	2 950	1 900	1 050	1 050	150	200	100	700	−50	−650	1 650
	1956	7.1	3 050	1 000	2 050	1 450	150	—	−50	700	200	300	600
Norway	*1953*		*30 076*	*21 295*	*8 781*	*13 263*	*1 197*	*2 677*	*942*	*6 267*	*1 234*	*46*	*7 823*
Millions	1953	3.1	891	415	476	219	53	171	114	411	72	−371	461
of kroner	1954	5.9	1 762	635	1 127	704	195	99	59	167	−29	−44	836
	1955	3.9	1 253	653	600	561	59	−90	−131	175	−1	228	379
	1956	4.3	1 430	802	628	542	121	−20	−56	−154	−210	145	917
Portugal	*1953*		*57 193*	*46 938*	*10 255*	*36 939*	. .	*5 093*	*1 799*	*6 664*	*1 414*	*1 094*	*7 403*
Millions	1953	5.1	2 780	2 554	226	1 796	. .	659	253	564	217	−500	261
of escudos	1954	5.9	3 368	2 828	540	1 109	. .	755	122	384	33	−461	1 581
	1955	3.7	2 261	1 505	756	1 596	. .	216	130	229	128	−310	530
	1956	4.5	2 825	2 178	647	2 320	. .	79	113	252	165	255	−81
Sweden	*1953*		*49 464*	*39 567*	*9 897*	*25 346*	*2 198*	*6 610*	*2 048*	*7 785*	*1 828*	*−420*	*10 143*
Millions	1953	2.8	1 353	1 186	167	603	97	417	219	910	280	−1 350	773
of kronor	1954	7.5	3 700	2 297	1 403	1 135	397	364	157	738	240	430	1 033
	1955	4.8	2 551	1 528	1 023	874	−19	201	−4	−18	47	980	514
	1956	2.8	1 572	1 028	544	583	95	231	−17	211	124	−430	977
United Kingdom . . .	*1953*		*20 972*	*17 291*	*3 681*	*11 460*	*912*	*3 232*	*1 596*	*2 323*	*623*	*135*	*3 822*
Millions	1953	4.7	944	724	220	456	150	64	39	225	146	135	64
of pounds	1954	4.5	946	757	189	493	159	−19	−42	182	33	−85	375
	1955	4.4	957	561	396	346	121	−41	−83	163	−51	280	209
	1956	2.0	456	353	103	67	−106	49	−6	141	−12	−95	294
United States	*1953*		*388.4*	*371.5*	*16.9*	*232.8*	*23.1*	*76.0*	*50.1*	*58.6*	*13.2*	*4.1*	*16.9*
Billions	1953	4.1	15.4	13.6	1.8	9.5	2.9	4.4	3.8	2.4	0.4	—	−0.9
of dollars	1954	−1.4	−5.4	−5.1	−0.3	4.0	0.1	−7.7	−8.5	1.3	1.4	−4.0	1.0
	1955	7.4	28.2	28.1	0.1	17.1	5.1	−1.3	−2.7	5.1	2.6	5.4	1.9
	1956	3.1	12.9	9.8	3.1	8.0	−2.3	0.8	−0.7	2.6	−1.7	−1.6	3.1

Sources and methods : See Appendix B.

[a] Changes in stocks are included in private consumption.

Table II

Private consumption

1953. — Values in national currencies at 1954 prices
1953 to 1956. — Volume increase over previous year (percentages)

Country	Units of currency	Year	Total private consumption	Food	Clothing	Rent	Durables	Other
Austria	*Billions of schillings*	*1953*	*54.6*	*22.4*	*7.4*	*2.7*	*4.2*	*17.9*
		1953	5.2	1.8	5.7	8.0	20.0	9.2
		1954	8.1	1.3	8.1	3.7	35.7	10.6
		1955	10.2	8.8	11.2	—	21.1	9.6
		1956	5.5	4.5	5.6	—	2.9	8.3
Belgium	*Billions of francs*	*1953*	*297.9*	*90.8*	*27.0*	*41.4*	*24.5*	*114.2*
		1953	1.5	2.1	−1.8	0.5	3.4	1.7
		1954	2.6	1.3	1.5	1.7	8.2	3.1
		1955	3.4	5.0	3.6	1.7	5.7	2.2
		1956	2.6	2.8	6.3	1.2	2.9	2.1
Denmark	*Millions of kroner*	*1953*	*18 080*	*5 135*	*2 340*	*1 140*	*1 920*	*7 545*
		1953	4.4	3.4	2.6	1.3	19.3	2.7
		1954	5.7	2.9	2.6	1.7	16.4	6.4
		1955	−1.6	−1.2	−4.6	1.8	−7.2	0.1
		1956	0.9	0.3	—	1.7	2.9	0.9
France	*Billions of francs*	*1953*	*9 950*	*3 670*	*1 400*	*320*	*700*	*3 860*
		1953	3.9	4.3	3.7	—	7.7	3.2
		1954	4.2	2.8	4.9	5.0	14.9	3.3
		1955	8.2	5.6	9.0	4.8	18.3	8.7
		1956	5.0	2.4	7.9	2.3	10.6	5.3
Western Germany	*Millions of DM* [a]	*1953*	*75 585*	*25 050*	*11 298*	*5 875*	*6 875*	*26 537*
		1953	10.0	6.7	9.6	6.9	16.8	12.5
		1954	8.0	7.2	5.1	7.1	8.7	10.1
		1955	11.4	9.5	11.9	7.1	15.9	12.9
		1956	. .	. .	. .	. .	. .	. .
Greece	*Millions of drachmae*	*1953*	*42 659*	*24 880*	*5 890*	. .	*1 065*	*9 044*
		1953	12.0	10.7	8.9	. .	12.1	16.8
		1954	4.9	5.4	−3.1	. .	5.7	0.4
		1955	6.5	3.8	17.4	. .	14.7	15.6
		1956	6.3	6.2	6.7	. .	5.8	6.2

Ireland	*Millions of pounds*	*1953*	*377.8*	*140.1*	*47.4*	—	*174.5*	
		1953	1.9	2.2	3.0	—	1.5	
		1954	3.7	4.4	3.8	—	3.4	
		1955	5.6	5.3	4.9	—	6.5	
		1956	−5.2	−4.5	−3.1	1.3	−6.9	
Italy	*Billions of lire*	*1953*	*8 465*	*3 980*	*1 063*	*187*	*274*	*2 961*
		1953	7.7	4.8	20.4	1.6	19.1	7.0
		1954	2.2	2.6	−6.3	1.6	7.7	4.3
		1955	3.9	2.2	0.1	2.1	5.8	7.4
		1956	4.2	2.2	7.1	2.6	3.8	5.8
Netherlands	*Millions of guilders*	*1953*	*14 600*	*5 600*	*2 300*	*1 100*	*1 100*	*4 500*
		1953	4.3	4.7	9.5	—	10.0	1.1
		1954	6.2	4.5	10.9	—	9.1	6.7
		1955	6.8	6.0	9.8	—	12.5	6.2
		1956	8.8	4.8	21.4	4.5	11.1	6.9
Norway	*Millions of kroner*	*1953*	*13 263*	*4 166*	*2 309*	*789*	*1 197*	*4 802*
		1953	1.7	0.1	0.5	10.3	4.6	1.6
		1954	5.3	4.3	2.9	7.6	16.3	4.2
		1955	4.0	5.0	1.6	2.9	4.2	4.5
		1956	3.7	2.6	5.0	3.0	8.3	3.0
Sweden	*Millions of kroner*	*1953*	*25 346*	*7 945*	*3 748*	*2 164*	*2 198*	*9 291*
		1953	2.4	1.5	0.5	3.8	4.6	3.3
		1954	4.5	2.6	1.5	4.0	18.1	4.1
		1955	3.3	1.0	5.2	4.1	−0.7	5.4
		1956	2.1	0.4	2.1	4.1	3.7	2.7
United Kingdom	*Millions of pounds*	*1953*	*11 460*	*3 790*	*1 133*	*1 011*	*912*	*4 614*
		1953	4.1	4.1	2.3	3.0	19.7	2.2
		1954	4.3	2.4	5.9	4.2	17.4	2.9
		1955	2.9	0.8	6.1	−2.2	11.3	3.0
		1956	0.5	1.7	2.9	0.5	−8.9	1.3
United States	*Billions of dollars*	*1953*	*232.8*	*62.4*	*21.4*	*28.2*	*23.1*	*97.7*
		1953	4.3	4.3	−1.4	2.9	14.4	3.6
		1954	1.7	2.1	−0.5	4.3	0.4	1.6
		1955	7.2	6.0	5.2	3.7	22.0	5.8
		1956	3.1	5.6	3.6	3.6	−8.1	4.5

Sources and methods : See Appendix B.

NOTE. — The commodity coverage is subject to some variations from country to country. For further details, see Appendix B.

[a] A new series is under preparation, but data by items are not yet available. For 1953 in the new series, total private consumption amounts to DM 86,170 million.

TABLE III

Output per man-hour [a] and wage costs [a] by industrial sectors

Index numbers 1953 = 100

Country	Industry [b]					Mining					Metal-using					Textiles					Chemicals				
	1952	1954	1955	1956	1957 [c]	1952	1954	1955	1956	1957 [c]	1952	1954	1955	1956	1957 [c]	1952	1954	1955	1956	1957 [c]	1952	1954	1955	1956	1957 [c]
Austria																									
Production	98	114	133	138	145	94	110	115	118	124	114	118	156	156	154	94	111	117	123	131	92	117	126	129	139
Employment	102	104	110	113	116	100	100	101	102	105	104	104	115	119	120	104	102	105	108	112	101	107	114	118	118
Working hours per man	99	102	105	104	104	. .	. .	. .	. .	. .	100	102	104	101	100*	98	103	105	104	103*	101	102	106	105	104*
Output per man-hour	97	108	114	117	121	*93*	*110*	*114*	*116*	*118*	110	111	131	130	127*	93	106	106	110	114*	91	107	104	104	113*
Earnings	99	108	112	118	125	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .
Wage costs	102	100	98	101	104	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .	. .
Belgium																									
Production	101	106	116	122	123	101	97	100	100	97	105	107	125	135	135	90	106	110	118	125	106	122	117	129	117
Employment	101	100	102	105	108	103	96	93	92	91	103	99	105	111	116	101	100	98	96	97	103	100	105	108	109
Working hours per man	100	99	100	99	. .	100	98	100	96	. .	101	99	99	97	92	96	99	96	96	97	101	100	98	97	97
Output per man-hour	100	106	114	118	. .	98	104	106	112	. .	101	109	121	126	127	92	108	117	128	133	103	121	114	123	111
Wage rates	100	102	103	118	127	100	102	104	113	120	102	101	102	120	127	101	102	104	118	130	. .	. .	. .	. .	. .
Wage costs	100	95	91	101	. .	102	98	98	100	. .	100	93	84	95	100	109	95	89	92	98	. .	. .	. .	. .	. .
Denmark																									
Production	96	106	112	111	118	. .	. .	. .	. .	. .	98	117	122	118	124	94	96	91	90	110	94	109	110	113	115
Man-hours worked	100	104	103	99	104	. .	. .	. .	. .	. .	99	114	117	114	115	98	92	83	76	86	. .	. .	. .	. .	. .
Output per man-hour	96	102	109	113	114	. .	. .	. .	. .	. .	99	103	104	103	107	96	104	110	118	129	. .	. .	. .	. .	. .
Earnings	97	105	109	118	127	. .	. .	. .	. .	. .	98	104	109	117	126	99	105	109	119	127	99	105	109	119	128
Wage costs	101	102	100	105	112	. .	. .	. .	. .	. .	99	101	104	114	118	103	101	99	101	99	. .	. .	. .	. .	. .
Finland																									
Production	94	114	128	131	137	98	110	135	145	171	102	114	126	130	137	97	114	133	144	150	82	118	128	141	145
Employment	104	103	106	108	106	. .	. .	. .	. .	. .	107	102	107	110	108	100	101	103	107	109	102	107	113	117	118
Working hours per man	100	100	100	100	99	. .	. .	. .	. .	. .	100	102	101	102	101	99	100	97	100	98	100	100	100	100	97
Output per man-hour	90	111	121	121	131	. .	. .	. .	. .	. .	95	110	117	116	126	97	113	133	134	141	79	111	113	121	127
Earnings	98	102	107	119	128	99	107	115	130	142	99	103	107	118	126	88	101	106	120	126	. .	. .	. .	. .	. .
Wage costs	109	92	88	99	98	. .	. .	. .	. .	. .	105	94	92	102	100	91	89	80	90	89	. .	. .	. .	. .	. .
France																									
Production	99	110	120	133	143	102	104	108	112	119	100	111	123	145	153	94	107	104	112	127	93	115	136	148	161
Employment	102	100	101	102	105	102	97	94	93	92	103	102	105	108	112	104	98	93	91	93	101	103	105	106	108
Working hours per man	100	101	101	103	104	101	99	99	100	100	101	102	103	104	104	97	101	100	103	105	100	101	101	102	102
Output per man-hour	97	109	118	127	131	99	108	115	122	130	95	107	114	129	131	93	107	111	119	129	92	111	129	137	146
Wage rates	98	107	115	124	133	100	101	111	120	. .	97	106	113	124	134	98	106	114	122	130	97	107	117	126	134
Wage costs	101	98	98	98	102	101	93	97	98	. .	102	99	99	96	102	106	99	102	102	100	106	97	91	92	92
Western Germany																									
Production	91	112	129	139	147	97	104	110	115	119	95	118	146	159	164	84	107	118	126	133	86	113	125	138	154
Employment	96	105	113	119	122	96	99	99	100	103	96	109	124	135	141	95	101	104	106	107	100	107	114	122	127
Working hours per man	100	100	100	98	93	102	97	97	96	92	101	101	101	98	92	97	99	99	99	94	99	101	100	98	93
Output per man-hour	94	106	113	119	129	99	107	115	119	125	98	107	116	120	127	91	107	115	121	133	87	104	110	115	130
Earnings	96	103	109	119	132	95	102	110	124	134	96	102	108	118	126	95	102	107	118	127	96	102	107	118	124
Wage costs	102	97	97	100	102	95	95	96	104	107	98	95	93	98	99	104	95	94	97	96	110	98	98	102	95

Italy																									
Production	91	109	119	128	140	88	110	123	139	156	90	102	112	116	129	95	103	95	100	114	83	122	135	148	155
Employment	100	101	102	104	106	102	94	90	87	87	98	102	106	112	117	104	97	91	89	87	98	105	109	113	..
Working hours per man	99	101	100	99	102	101	100	101	99	99	100	101	101	98	100	97	102	97	100	106	100	101	100	98	..
Output per man-hour	92	106	115	124	129	85	117	136	162	181	91	99	104	105	110	94	104	107	113	124	85	115	124	134	..
Earnings	97	103	109	116	121	94	104	110	119	124	97	102	107	115	120	97	103	110	114	117	95	104	110	116	..
Wage costs	105	97	95	94	94	110	89	81	73	68	106	103	102	109	109	103	99	103	101	94	112	90	89	87	..
Netherlands																									
Production	91	110	118	123	127	100	100	101	102	105	87	119	133	139	139	88	107	109	112	112	93	110	117	123	134
Employment	98	104	107	109	110	99	102	101	101	102	97	106	112	116	117	94	102	102	102	103	97	107	112	116	118
Man-hours worked	..	..	..	..	..	98	102	101	99	98	..	..	..	..	..	92	101	98	96	95	..	..	..	..	..
Output per man-hour	*93*	*106*	*110*	*113*	*115*	103	98	100	103	108	*90*	*112*	*119*	*120*	*120*	96	106	112	117	118	*96*	*103*	*104*	*106*	*113*
Wage rates	98	111	116	120	133	..	..	..	..	..	99	109	115	120	126	..	..	..	..	..	..	..	..	..	..
Earnings	98	116	120	130	144*	100	111	117	125	139	..	..	..	..	..	97	116	118	..	..	98	117	122	..	..
Wage costs	*105*	*109*	*109*	*115*	*125**	96	113	118	122	129	*111*	*98*	*96*	*100*	*105*	101	109	106	..	..	*102*	*114*	*117*	..	..
Norway																									
Production	95	109	117	122	127	86	100	109	121	125	91	108	121	124	125	92	100	98	104	112	99	124	124	129	129
Employment	100	102	104	105	105	101	100	103	105	105	99	102	105	109	113	104	99	94	94	94	101	108	110	113	113
Output per worker	*95*	*107*	*112*	*117*	*121*	*85*	*100*	*105*	*115*	*119*	*92*	*106*	*116*	*113*	*111*	*89*	*99*	*105*	*112*	*120*	*99*	*115*	*113*	*114*	*114*
Earnings	96	105	111	119	128	96	105	110	121	135	96	106	112	122	134	95	105	109	118	129	95	104	109	115	127
Wage costs	*101*	*98*	*99*	*102*	*106*	*112*	*105*	*104*	*105*	*113*	*104*	*100*	*97*	*108*	*121*	*107*	*107*	*104*	*106*	*107*	*96*	*91*	*96*	*101*	*111*
Sweden																									
Production	98	105	111	114	120	100	91	104	114	121	108	103	109	113	117	86	99	95	96	101	96	101	106	..	..
Employment	102	103	105	106	106	99	97	99	103	107	105	102	106	108	109	96	94	90	88	85	104	101	111	114	114
Man-hours worked	..	..	..	..	..	..	..	..	..	..	108	103	109	111	115	..	..	..	..	..	..	..	..	..	..
Output per man-hour	*96*	*102*	*105*	*108*	*113*	*100*	*94*	*106*	*110*	*113*	100	100	100	101	102	*90*	*106*	*105*	*109*	*118*	*93*	*100*	*95*	..	..
Earnings	98	104	112	120	128	96	103	111	117	125	96	103	109	117	125	97	104	111	119	127	96	105	114	124	130
Wage costs	*102*	*102*	*106*	*111*	*113*	*96*	*110*	*105*	*107*	*110*	96	104	108	115	123	*108*	*99*	*106*	*109*	*108*	*104*	*105*	*120*	..	..
United Kingdom																									
Production	95	108	114	113	114	100	100	99	99	104	97	110	122	117	117	84	103	101	101	101	87	110	117	121	128
Employment	98	102	105	105	104	100	99	99	99	103	99	103	108	109	107	95	102	98	96	95	99	102	106	108	108
Working hours per man	99	101	101	101	101	100	100	100	99	99	100	101	102	101	100	96	100	99	99	100	99	101	102	101	101
Output per man-hour	98	104	107	107	109	100	99	100	102	102	98	105	111	106	108	93	101	103	106	107	89	106	109	111	117
Earnings	95	106	114	124	130	95	106	115	124	133	95	106	116	124	126	95	106	112	119	128	94	105	115	123	131
Wage costs	97	101	107	116	119	95	107	115	122	129	97	101	104	116	117	102	105	109	112	119	105	99	105	111	111
Yugoslavia																									
Production	91	115	134	147	170	98	116	130	147	157	78	109	127	135	158	103	122	140	147	169	92	124	164	200	240
Employment	97	113	126	133	142	..	..	..	..	..	82	116	129	139	152	97	116	133	141	152	83	115	138	160	174
Output per worker	*93*	*102*	*106*	*111*	*120*	..	..	..	..	..	*95*	*94*	*98*	*97*	*104*	*106*	*105*	*105*	*104*	*111*	*111*	*108*	*119*	*125*	*138*
Earnings	99	107	111	120	129	100	107	114	128	138	100	106	110	121	129	100	107	112	116	125	99	107	113	121	130
Wage costs	*106*	*105*	*105*	*108*	*108*	..	..	..	..	..	*116*	*113*	*112*	*124*	*124*	*94*	*102*	*107*	*112*	*113*	*89*	*99*	*95*	*97*	*94*

Sources and methods : See Appendix B.

NOTE. — Output per man-hour has been obtained by deflating production indices by an index of man-hours either worked or paid. Wage costs have been arrived at by dividing indices of hourly earnings or wage rates into indices of output per man-hour. As the series used for this computation are based on inquiries which may differ in scope, timing, etc., the data for output per man-hour and wage costs must be considered as approximate only.

[a] In the absence of data relating to hours worked, figures in italics show output and wage costs per worker instead of output and wage rates per man-hour.

[b] Production indices for industry refer to mining, manufacturing and public utilities; employment, working hours and wages exclude mining in certain cases, and may include building.

[c] Estimate for the year, based on as many months as were available — generally 9 to 10.

TABLE IV

Orders received and stock[a] of orders in industry

Volume or value — Index numbers : 1953 = 100

Country and industry	Total orders						Home-market orders						Export orders					
	1952	1953	1954	1955	1956	1957 [b]	1952	1953	1954	1955	1956	1957 [b]	1952	1953	1954	1955	1956	1957 [b]
Metal-using industries																		
Belgium																		
Shipbuilding	165	100	158	175	491	199	82	100	105	161	342	88	238	100	205	186	622	287
Machinery	116	100	119	135	172	151	103	100	111	132	159	118	138	100	135	139	195	173
Vehicles	94	100	126	136	155	132	91	100	118	125	125	116	115	100	173	199	329	217
Electro-technical equipment	90	100	101	115	133	139	91	100	96	106	123	131	88	100	113	139	157	162
Heavy engineering	99	100	119	138	177	158	..	100	110	131	173	164	..	100	142	154	187	144
Total metal-using industries excluding shipbuilding	100	100	113	127	157	143	..	100	105	116	142	132	..	100	136	157	200	175
Western Germany [c]																		
Machinery	(99)	(100)	(139)	(173)	(171)	(170)	101	100	140	180	172	185	100	100	133	175	208	205
Vehicles	(83)	(100)	(130)	(161)	(173)	(178)	76	100	113	134	136	133	71	100	174	207	258	305
Electro-technical equipment	(88)	(100)	(136)	(156)	(165)	(186)	88	100	130	152	162	180	88	100	140	180	231	273
Metal goods	(85)	(100)	(123)	(143)	(148)	(158)	88	100	118	141	150	157	87	100	131	149	162	187
Steel constructions	(97)	(100)	(119)	(131)	(149)	(144)	93	100	117	135	138	145	111	100	115	95	269	247
Total metal-using industries	(93)	(100)	(133)	(161)	(165)	(172)	96	100	127	155	158	168	95	100	138	175	212	226
United Kingdom																		
Machine tools	116	100	156	191	171	153	102	100	151	197	167	143	159	100	169	172	183	184
Machine tools	*134*	*100*	*112*	*139*	*136*	*118*	*123*	*100*	*115*	*151*	*145*	*124*	*163*	*100*	*104*	*108*	*113*	*102*
Oil equipment	136	100	120	184	229	202	..	..	..	..	..	..	..	..	..	..	..	..
Shipbuilding	(232)	(100)	(122)	(449)	(477)	(564)	..	..	..	..	..	..	..	..	..	..	..	..
Shipbuilding	*(121)*	*(100)*	*(78)*	*(96)*	*(117)*	*(126)*	..	..	..	..	..	..	..	..	..	..	..	..
Netherlands																		
Shipbuilding	*90*	*100*	*110*	*140*	*175*	*183*	*95*	*100*	*123*	*151*	*171*	*166*	*84*	*100*	*90*	*124*	*178*	*214*
Machinery	*114*	*100*	*107*	*151*	*172*	*161*	*100*	*100*	*107*	*155*	*184*	*166*	*144*	*100*	*108*	*147*	*152*	*222*
Transport equipment excluding shipbuilding	*63*	*100*	*80*	*76*	*103*	*75*	*64*	*100*	*83*	*85*	*102*	*69*	*57*	*100*	*68*	*41*	*105*	*95*
Electro-technical equipment	*86*	*100*	*104*	*122*	*138*	*138*	*87*	*100*	*105*	*131*	*150*	*136*	*85*	*100*	*105*	*116*	*130*	*140*
Total metal-using	*92*	*100*	*105*	*133*	*160*	*161*	*91*	*100*	*108*	*138*	*161*	*144*	*92*	*100*	*100*	*124*	*159*	*190*
Consumers' goods industries																		
Western Germany [c]																		
Textiles	(96)	(100)	(104)	(121)	(132)	(131)	95	100	102	117	130	135	78	100	112	116	126	130
Clothing	..	(100)	(105)	(124)	(140)	(150)	..	100	103	123	143	160	..	100	138	167	221	258
Shoes	(119)	(100)	(104)	(116)	(121)	(151)	106	100	102	113	122	154	46	100	153	211	228	236
Netherlands																		
Textiles	*87*	*100*	*101*	*109*	*150*	*136*	*86*	*100*	*103*	*110*	*164*	*136*	*89*	*100*	*98*	*107*	*126*	*133*
Clothing	*106*	*100*	*125*	*160*	*216*	*114*	*100*	*100*	*131*	*167*	*229*	*122*	*164*	*100*	*91*	*106*	*118*	*69*
Shoes	*131*	*100*	*152*	*145*	*204*	*135*	*121*	*100*	*151*	*150*	*218*	*140*	*212*	*100*	*162*	*126*	*117*	*104*

Sources : National statistics.

[a] Stock of orders at the end of period.

[b] Estimates for the year based on first nine or ten months.

[c] Indices for 1952 refer to the last seven or ten months of that year.

[d] End of August.

Key :
123 Value index of orders received;
(123) Volume index of orders received;
123 Value index of stock of orders;
(123) Volume index of stock of orders.

TABLE V

Gross fixed capital formation by sectors

National currencies and percentage distribution

Country and unit	Year	Total fixed investment in current prices	Percentage distribution							
			Agri-culture	Industry [a]	Public utilities	Transport	Other	Public admi-nistration	Dwellings	Public invest-ment [b]
Belgium	1952	60.5	4	— 40 —		20	6	8	22	23
Billions of francs	1953	66.3	5	— 38 —		20	6	7	24	21
	1954	70.6	5	— 36 —		19	6	8	26	20
	1955	74.6	4	— 36 —		22	6	9	23	23
	1956	81.3	4	— 39 —		22	6	8	21	22
Denmark	1952	4 465	10	10	6	19	34	5	16	21
Millions of kroner	1953	4 830	8	11	5	22	32	5	17	22
	1954	5 185	8	12	4	21	30	7	18	22
	1955	4 885	6	12	4	22	33	7	16	..
	1956	5 080	..	..	..	..	..	..	..	..
Finland [c]	1952	259	14	— 29 —		12	8	15	22	15
Billions of marks	1953	246	13	— 29 —		11	6	19	22	19
	1954	280	12	— 33 —		10	6	16	23	16
	1955	312	11	— 32 —		10	7	16	24	16
	1956	362	10	— 33 —		11	6	17	23	17
France	1952	2 377	10	22	15	15	8	11	19	11
Billions of francs	1953	2 375	10	21	13	16	9	11	20	11
	1954	2 571	10	20	12	16	9	12	21	12
	1955	2 816	9	19	12	16	9	12	23	12
	1956	3 161	9	19	13	12	7	12	28	11
Western Germany	1952	25.47	9	31	9	13	7	7	24	11
Billions of DM	1953	28.66	7	29	9	14	7	7	27	13
	1954	32.20	8	28	8	14	7	7	28	11
	1955	39.77	9	30	7	15	7	7	25	12
	1956	44.10	9	30	7	15	7	7	25	13
Greece	1952	4 692	8	18	9	16	13	6	30	32
Millions of drachmae	1953	5 740	7	13	13	11	14	5	37	33
	1954	8 035	7	11	11	23	14	3	31	27
	1955	9 004	6	12	11	17	17	2	35	29
	1956	10 960	5	11	12	20	17	2	33	26
Italy	1952	2 120	13	29	7	15	6	10	20	..
Billions of lire	1953	2 254	14	26	7	16	5	11	21	..
	1954	2 454	14	— 30 —		17	5	10	24	36
	1955	2 750	14	— 31 —		15	5	9	26	34
	1956	2 992	12	— 32 —		16	5	8	27	31
Netherlands [d]	1952	4 110	8	— 41 —		20	— 13 —		18	..
Millions of guilders	1953	4 120	7	— 40 —		23	— 11 —		19	6
	1954	4 840	7	— 40 —		21	— 12 —		20	14
	1955	5 620	6	— 42 —		22	— 13 —		17	12
	1956	6 660	6	— 42 —		23	— 12 —		17	..
Norway	1952	5 468	10	19	7	24	8	8	24	..
Millions of kroner	1953	6 091	9	18	6	28	8	9	22	..
	1954	6 686	9	18	5	29	9	10	20	..
	1955	6 995	9	15	6	31	10	10	19	..
	1956	..	..	..	..	..	..	..	..	..
Sweden	1952	7 211	7	20	7	21	2	27	16	42
Millions of kronor	1953	8 013	6	17	6	25	2	27	17	43
	1954	8 590	6	20	6	20	3	28	17	41
	1955	8 890	5	20	5	21	4	27	18	40
	1956	9 550	5	19	6	21	4	26	19	40
United Kingdom	1952	2 077	5	32	11	10	9	8	25	54
Millions of pounds	1953	2 326	4	30	11	11	9	7	28	54
	1954	2 505	4	29	12	11	11	6	27	49
	1955	2 807	4	31	12	10	13	6	24	45
	1956	3 084	3	33	11	11	13	7	22	43
Yugoslavia [c]	1952	287	5	— 69 —		18	1	2	5	95
Billions of dinars	1953	363	6	— 61 —		18	4	5	6	94
	1954	423	5	— 54 —		18	4	9	10	94
	1955	449	8	— 54 —		18	5	7	8	94
	1956	466	11	— 44 —		21	5	8	11	93

Sources and methods : See Appendix B.

[a] Including mining and construction.

[b] For Finland, France, western Germany and the Netherlands, general government investment only.

[c] Including maintenance and repair.

[d] Data do not include government expenditure on construction and works, increase of work in progress on heavy equipment and increase in livestock.

Table VI

Balance of payments of western Europe with the United States

Millions of current dollars

Item	1952	1953	1954	1955	1956	1956				1957		
						First qtr.	Second qtr.	Third qtr.	Fourth qtr.	First qtr.	Second qtr.	Third qtr.
Imports from the United States	−3 472	−2 992	−3 492	−4 310	−5 345	−1 156	−1 325	−1 253	−1 611	−1 734	−1 536	−1 289
Exports to the United States	+2 022	+2 278	+2 030	+2 399	+2 948	+715	+715	+696	+822	+752	+784	+729
Services (net), excluding United States military expenditure [a]	+236	+393	+316	+379	+520	+74	+189	+196	+61	+32	+144	+163
Balance of goods and services on civilian account	−1 214	−321	−1 146	−1 532	−1 877	−367	−421	−361	−728	−950	−608	−397
United States military expenditure in western Europe	+739	+1 171	+1 455	+1 633	+1 676	+449	+527	+339	+361	+506	+529	+345
Balance, including United States military expenditure	−475	+850	+309	+101	−201	+82	+106	−22	−367	−444	−79	−52
United States Government grants and credits (excluding military aid)	+1 563	+984	+816	+847	+524	+140	+203	+106	+ 75	+164	+208	+66
Movement of private United States capital:												
Long-term	+82	−129	+12	+166	+571	+79	+83	+328	+81	+46	+182	−10
Short-term	+34	+26	+240	+25	+171	−24	+37	+71	+87	+98	+3	−18
Net increase (−) or decrease (+) in long-term dollar assets	−143	−97	−204	−442	−265	+114	−190	−164	−25	−202	−160	—
Net increase (−) or decrease (+) in short-term dollar balances and gold	−434	−1 969	−1 269	−608	−734	−446	+39	−269	− 58	+309	−203	+81
Errors, omissions and inter-regional transfers of dollars	−627	+335	+96	−89	−66	+55	−278	−50	+207	+29	+49	−67

Sources: Survey of Current Business, United States Department of Commerce; rearranged from issues of July 1954, June and December 1956, and December 1957.

[a] Including private remittances and United States Government pensions.

TABLE VII

Balance of payments of the world with the United States

Millions of current dollars

Item	1952	1953	1954	1955	1956	1956				1957		
						First qtr.	Second qtr.	Third qtr.	Fourth qtr.	First qtr.	Second qtr.	Third qtr.
Imports from the United States	−13 319	−12 294	−12 814	−14 264	−17 321	−3 954	−4 412	−4 096	−4 859	−5 067	−5 138	−4 441
Exports to the United States	+10 838	+10 990	+10 354	+11 516	+12 791	+3 254	+3 172	+3 154	+3 211	+3 292	+3 338	+3 248
Services (net), excluding United States military expenditure [a]	−1 272	−1 051	−1 378	−1 451	−1 451	−383	−342	−182	−544	−460	−508	−341
Balance of goods and services on civilian account	−3 753	−2 355	−3 838	−4 199	−5 981	−1 083	−1 582	−1 124	−2 192	−2 235	−2 308	−1 534
United States military expenditure abroad	+1 957	+2 535	+2 603	+2 804	+2 910	+742	+830	+653	+685	+841	+882	+675
Balance, including United States military expenditure	−1 796	+180	−1 235	−1 395	−3 071	−341	−752	−471	−1 507	−1 394	−1 426	−859
United States Government grants and credits (excluding military aid)	+2 380	+2 055	+1 554	+2 167	+2 321	+549	+667	+543	+562	+630	+692	+530
Movement of private United States capital :												
Long-term	+1 064	+536	+984	+959	+2 446	+421	+526	+698	+801	+557	+1 349	+440
Short-term	+94	−167	+635	+194	+534	−4	+157	+103	+278	+242	+17	−44
Net increase (−) or decrease (+) in long-term dollar assets	−443	−124	−252	−873	−407	+125	−217	−255	−60	−312	−144	+154
Net increase (−) or decrease (+) in short-term dollar balances and gold	−790	−2 184	−1 508	−601	−1 131	−746	−228	−406	+249	+649	−166	+61
Errors, omissions and inter-regional transfers of dollars	−509	−296	−178	−451	−692	−4	−153	−212	−323	−372	−322	−282

Sources : Survey of Current Business, United States Department of Commerce; rearranged from issues of July 1954, June and December 1956 and December 1957.

[a] Including private remittances and United States Government pensions.

TABLE VIII

Trade of western European countries with each other

As per 10,000 of total intra-western European trade

Exports from / Imports into	Year	Austria	Belgium-Luxembourg	Denmark	Finland	France	Western Germany	Italy	Netherlands	Norway	Sweden	Switzerland	Southern Europe [a]	Sterling Europe [b]	Total western Europe
Austria	1952	—	17	3	1	17	92	27	14	3	10	16	31	42	273
	1953	—	10	4	3	14	101	27	7	3	5	15	17	20	226
	1954	—	8	4	—	14	140	33	10	3	4	17	18	20	271
	1955	—	9	3	—	21	164	37	13	4	6	20	19	21	317
	1956	—	8	3	—	19	157	37	13	4	6	23	17	19	306
	1957 [c]	—	8	2	—	18	174	40	12	4	7	24	16	21	326
Belgium-Luxembourg .	1952	6	—	7	13	163	174	22	212	18	51	42	21	135	864
	1953	6	—	15	10	175	194	24	218	14	51	40	21	147	915
	1954	7	—	10	13	179	207	22	204	13	44	35	20	130	884
	1955	7	—	5	16	184	205	23	196	10	47	29	20	129	871
	1956	8	—	7	16	185	231	22	203	12	46	31	18	129	908
	1957 [c]	7	—	6	15	185	227	25	201	14	47	29	15	139	910
Denmark	1952	3	37	—	16	30	98	10	37	24	56	15	10	178	514
	1953	3	34	—	14	29	123	11	44	24	61	15	12	189	559
	1954	3	35	—	5	32	118	10	41	24	65	15	22	187	557
	1955	3	31	—	4	33	116	10	38	20	55	10	17	157	494
	1956	2	27	—	10	23	121	9	40	22	56	12	7	151	480
	1957 [c]	4	24	—	9	26	115	10	42	22	52	10	6	144	464
Finland	1952	1	13	17	—	37	49	6	20	7	14	7	9	126	306
	1953	—	10	14	—	20	31	3	17	3	9	—	12	101	220
	1954	2	11	10	—	23	26	5	25	5	17	4	10	64	202
	1955	2	12	14	—	22	36	4	14	9	19	4	8	70	214
	1956	2	12	11	—	22	49	6	17	7	22	7	5	74	234
	1957 [c]	2	11	8	—	18	39	6	14	4	20	6	7	54	189
France	1952	18	117	21	37	—	216	64	63	18	69	71	90	116	900
	1953	13	112	18	20	—	207	42	76	14	51	67	61	126	807
	1954	10	121	10	22	—	204	47	80	14	46	53	55	127	789
	1955	12	136	14	23	—	226	54	74	15	50	49	57	112	822
	1956	16	145	16	24	—	269	67	74	17	60	56	50	114	908
	1957 [c]	15	142	13	20	—	312	75	71	18	56	57	55	134	968
Western Germany . .	1952	58	148	75	49	145	—	101	183	44	145	72	170	85	1 275
	1953	64	133	68	31	183	—	116	195	39	127	91	159	104	1 310
	1954	80	123	71	34	212	—	120	216	44	128	99	147	126	1 400
	1955	86	172	90	45	263	—	130	221	44	138	106	141	112	1 548
	1956	88	152	95	37	228	—	138	226	49	144	96	142	128	1 523
	1957 [c]	92	130	88	37	230	—	157	228	48	150	105	125	123	1 513
Italy	1952	44	44	23	6	64	143	—	22	13	28	58	54	91	590
	1953	58	48	22	3	82	187	—	29	10	27	66	72	124	728
	1954	62	37	21	5	96	194	—	29	8	29	56	49	101	687
	1955	58	31	22	5	93	180	—	35	8	27	49	58	79	645
	1956	63	32	22	6	78	187	—	33	9	31	48	67	83	659
	1957 [c]	70	28	25	7	84	196	—	29	7	27	45	52	80	650

	1953	14	264	9	16	59	240	16	—	12	60	24	20	149	883
	1954	16	287	8	19	60	281	18	—	13	57	26	22	137	944
	1955	16	304	10	19	66	298	17	—	11	58	25	18	144	986
	1956	15	333	11	14	60	313	21	—	12	58	29	20	145	1 031
	1957 c	15	315	11	17	59	335	23	—	14	62	30	13	142	1 036
Norway	1952	2	33	23	7	21	65	8	24	—	79	7	9	115	393
	1953	3	26	20	3	21	97	7	26	—	79	8	12	125	427
	1954	2	22	22	5	20	93	8	36	—	96	7	12	124	447
	1955	2	19	23	6	19	80	7	30	—	94	6	9	114	409
	1956	2	21	20	3	21	101	8	26	—	80	6	8	107	403
	1957 c	2	18	18	1	20	97	7	31	—	93	7	7	103	404
Sweden	1952	6	69	29	14	43	201	26	60	45	—	24	22	163	702
	1953	6	52	32	9	52	189	30	64	37	—	25	23	170	689
	1954	5	52	37	10	54	215	32	73	38	—	25	19	170	730
	1955	6	50	38	7	50	228	29	73	33	—	22	16	143	695
	1956	6	48	36	7	40	230	30	73	39	—	20	16	145	690
	1957 c	7	47	42	7	36	230	33	73	37	—	21	12	154	699
Switzerland	1952	14	45	10	7	86	146	58	38	3	19	—	18	52	496
	1953	14	36	10	—	86	156	71	36	3	17	—	18	52	499
	1954	15	36	8	2	98	169	76	35	2	13	—	18	43	515
	1955	16	35	9	5	103	184	75	36	2	11	—	16	41	533
	1956	20	41	8	2	105	205	80	39	3	13	—	15	45	576
	1957 c	22	42	8	3	102	231	94	39	4	13	—	13	48	619
Southern Europe [a] . .	1952	36	74	10	7	89	216	86	39	13	42	27	21	232	892
	1953	23	60	7	12	84	197	88	34	15	35	29	57	193	834
	1954	29	47	8	14	90	188	70	35	9	37	29	52	134	742
	1955	21	41	6	10	85	170	67	32	8	25	29	23	121	638
	1956	22	35	11	9	67	174	66	27	11	25	25	18	129	619
	1957 c	25	34	8	11	70	166	78	23	7	23	25	19	125	614
Sterling Europe [b] . . .	1952	21	195	221	123	165	177	87	203	83	213	42	139	341	2 010
	1953	26	125	242	100	158	141	84	181	74	222	45	133	372	1 903
	1954	16	97	212	107	169	145	91	194	71	204	44	138	344	1 832
	1955	14	105	181	119	206	152	74	204	77	212	46	132	306	1 828
	1956	15	101	167	95	152	161	79	190	80	198	41	122	262	1 663
	1957 c	12	80	155	95	140	161	77	173	81	195	45	122	272	1 608
Total western Europe	1952	218	1 042	448	300	909	1 776	508	915	283	778	404	614	1 805	10 000
	1953	230	910	461	221	963	1 863	519	927	248	744	425	617	1 872	10 000
	1954	247	876	421	236	1 047	1 980	532	978	244	740	410	582	1 707	10 000
	1955	243	945	415	259	1 145	2 039	527	966	241	742	395	534	1 549	10 000
	1956	259	955	407	223	1 000	2 198	563	961	265	739	394	505	1 531	10 000
	1957 c	273	879	384	222	988	2 283	625	936	260	745	404	462	1 539	10 000

Sources : OEEC Statistical Bulletins, Series I, and national statistics.

NOTE. — Data are derived from the imports of each country, measured c.i.f.

[a] Greece, Portugal, Spain, Turkey and Yugoslavia.

[b] Iceland, Ireland and the United Kingdom.

[c] January-September only.

TABLE IX

World trade by geographical areas

Millions of current dollars f.o.b.

Exports from / Imports into	Year	United States [a]	Canada	Western Europe [b]	of which:			Japan	Total industrial countries	Latin America	Overseas sterling areas [c]	Affiliated areas [d]	Other primary exporting countries	Total primary exporting countries	Eastern Europe and China [e]	WORLD [e]
					United Kingdom	Western Germany [b]	Rest of western Europe									
United States	1928	—	506	1 014	336	190	488	384	1 904	1 074	512	81	255	1 922	205	4 031
	1937–38	—	372	597	176	74	347	156	1 125	648	378	38	255	1 319	126	2 570
	1952	—	2 374	1 981	508	250	1 223	234	4 589	3 452	1 135	312	745	5 644	68	10 301
	1956	—	2 946	2 862	728	498	1 636	552	6 360	3 930	1 118	421	655	6 124	66	12 550
Canada	1928	924	—	268	188	16	64	12	1 204	31	61	1	2	95	6	1 305
	1937–38	484	—	170	132	13	25	5	659	20	68	—	2	90	5	754
	1952	2 796	—	502	371	22	109	15	3 313	226	145	11	16	398	8	3 719
	1956	3 972	—	792	510	86	196	69	4 833	116	237	54	14	421	16	5 270
Western Europe [b] . . .	1928	2 270	653	8 066	1 460	1 660	4 946	76	11 065	1 589	1 871	410	633	4 503	1 393	16 961
	1937–38	1 232	443	5 523	910	1 296	3 317	85	7 283	1 070	1 774	586	466	3 896	974	12 153
	1952	3 338	1 276	15 012	2 293	2 772	9 947	179	19 805	1 733	5 502	1 802	1 189	10 226	951	30 982
	1956	5 129	1 321	20 682	2 951	4 695	13 036	245	27 377	2 507	6 191	2 185	1 364	12 247	1 633	41 257
of which : United Kingdom . .	1928	848	448	1 831	—	281	1 550	28	3 155	570	1 056	53	277	1 956	242	5 353
	1937–38	526	372	1 188	—	162	1 026	43	2 129	374	1 217	114	219	1 924	221	4 274
	1952	677	762	2 502	—	228	2 274	73	4 014	405	3 424	194	259	4 282	221	8 517
	1956	904	833	2 766	—	300	2 466	63	4 566	679	3 633	226	286	4 824	284	9 674
Western Germany [b]	1928	467	45	1 372	333	—	1 039	6	1 890	350	324	47	75	796	490	3 176
	1937–38	116	16	922	141	—	781	11	1 065	218	180	45	167	610	283	1 958
	1952	445	98	2 039	178	—	1 861	16	2 598	207	315	76	66	664	68	3 330
	1956	781	145	3 160	312	—	2 848	34	4 120	675	601	168	143	1 587	249	5 956
Rest of western Europe	1928	955	160	4 863	1 127	1 379	2 357	42	6 020	669	491	310	281	1 751	661	8 432
	1937–38	590	55	3 413	769	1 134	1 510	31	4 089	478	377	427	80	1 362	470	5 921
	1952	2 216	416	10 471	2 115	2 544	5 812	90	13 193	1 121	1 763	1 532	864	5 280	662	19 135
	1956	3 444	343	14 756	2 639	4 395	7 722	148	18 691	1 153	1 957	1 791	935	5 836	1 100	25 627
Japan	1928	288	39	169	70	51	48	—	496	6	196	1	84	287	214	997
	1937–38	264	23	102	19	44	39	—	389	35	183	5	256	479	38	906
	1952	622	105	112	26	22	64	—	839	106	452	1	277	836	16	1 691
	1956	890	130	231	67	62	102	—	1 251	214	652	11	389	1 266	85	2 602
Total industrial countries	1928	3 482	1 198	9 517	2 054	1 917	5 546	472	14 669	2 700	2 640	493	974	6 807	1 818	23 294
	1937–38	1 980	838	6 392	1 237	1 427	3 728	246	9 456	1 773	2 403	629	979	5 784	1 143	16 383
	1952	6 756	3 755	17 607	3 198	3 066	11 343	428	28 546	5 517	7 234	2 126	2 227	17 104	1 043	46 693
	1956	9 991	4 397	24 567	4 256	5 341	14 970	866	39 821	6 767	8 198	2 671	2 422	20 058	1 800	61 679

Latin America	1928	832	37	963	356	210	397	21	1 853	230	69	7	130	436	21	2 310
	1937–38	525	21	680	197	250	233	32	1 258	116	29	30	7	182	23	1 463
	1952	3 341	278	1 801	426	410	965	50	5 470	624	133	192	29	978	30	6 478
	1956	3 681	180	2 058	380	573	1 105	164	6 083	653	169	221	50	1 093	116	7 292
Overseas sterling areas [c].	1928	376	83	1 618	1 254	119	245	135	2 212	28	431	10	370	839	187	3 238
	1937–38	292	95	1 308	993	129	186	165	1 860	11	508	15	324	858	103	2 821
	1952	1 135	269	4 508	3 325	259	924	465	6 377	80	2 039	116	701	2 936	257	9 570
	1956	1 273	250	5 694	3 800	615	1 279	618	7 835	115	2 326	101	982	3 524	394	11 753
Affiliated areas [d] . . .	1928	41	2	485	62	13	410	2	530	77	16	24	—	117	10	657
	1937–38	68	3	332	31	9	292	19	422	87	30	49	18	184	9	615
	1952	285	19	1 972	129	54	1 789	15	2 291	678	88	148	24	938	16	3 245
	1956	279	13	2 192	150	100	1 942	20	2 504	720	133	201	27	1 081	31	3 616
Other primary exporting countries	1928	142	8	529	177	72	280	67	746	9	353	38	372	772	100	1 618
	1937–38	157	3	495	108	71	316	180	835	31	138	8	32	209	92	1 136
	1952	986	70	1 607	363	170	1 074	244	2 907	67	661	34	216	978	98	3 983
	1956	1 256	38	1 625	407	398	820	751	3 670	38	739	17	319	1 113	181	4 964
Total primary exporting countries	1928	1 391	130	3 595	1 849	414	1 332	225	5 341	344	869	79	872	2 164	318	7 823
	1937–38	1 042	122	2 815	1 329	459	1 027	396	4 375	245	705	102	381	1 433	227	6 035
	1952	5 747	636	9 888	4 243	893	4 752	774	17 045	1 449	2 921	490	970	5 830	401	23 276
	1956	6 489	481	11 569	4 737	1 686	5 146	1 553	20 092	1 526	3 367	540	1 378	6 811	722	27 625
Eastern Europe and China [e]	1928	254	22	1 129	182	532	415	251	1 656	15	255	4	114	388		2 044
	1937–38	156	8	889	206	354	329	76	1 129	28	78	2	71	179		1 308
	1952	1	2	925	159	53	713	1	929	21	317	8	109	455		1 384
	1956	11	66	1 607	247	257	1 103	73	1 757	107	289	14	210	620		2 377
World [e]	1928	5 127	1 350	14 241	4 085	2 863	7 293	948	21 666	3 059	3 764	576	1 960	9 359	2 136	33 161
	1937–38	3 178	968	10 096	2 772	2 240	5 084	718	14 960	2 046	3 186	733	1 431	7 396	1 370	23 726
	1952	12 504	4 393	28 420	7 600	4 012	16 808	1 203	46 520	6 987	10 472	2 624	3 306	23 389	1 444	71 353
	1956	16 491	4 944	37 743	9 240	7 284	21 219	2 492	61 670	8 400	11 854	3 225	4 010	27 489	2 522	91 681

Sources and methods : See Appendix B.

[a] Excluding special categories.

[b] Including eastern Germany for pre-war years.

[c] Including British colonies.

[d] Excluding the sterling area.

[e] Excluding the trade of China and the countries of eastern Europe with one another.

TABLE X

World trade by areas, classified according to type of principal exports, 1928

Millions of current dollars f.o.b.

Area of origin for imports and area of destination for exports	Imports into								Exports from							
	United Kingdom	Germany [a]	Other western Europe	Western Europe [a]	United States and Canada	Japan	Total industrialized countries	WORLD [b]	United Kingdom	Germany [a]	Other western Europe	Western Europe [a]	United States and Canada	Japan	Total industrialized countries	WORLD [b]
Highly industrialized countries	3 012	1 749	5 931	10 692	3 201	470	14 363	23 300	2 054	1 917	5 546	9 517	4 680	472	14 669	23 294
Western Europe [a]	1 933	1 240	4 781	7 954	1 488	181	9 623	15 599	1 460	1 660	4 946	8 066	2 923	76	11 065	16 961
United States and Canada	1 046	500	1 115	2 661	1 316	289	4 266	6 753	524	206	552	1 282	1 430	396	3 108	5 336
Japan	33	9	35	77	397	—	474	948	70	51	48	169	327	—	496	997
Mainly petroleum-exporting countries [c]	75	21	50	146	119	—	265	524	49	15	49	113	63	2	178	391
in Middle East	55	9	28	92	24	—	116	262	36	9	35	80	9	1	90	225
in Latin America	20	12	22	54	95	—	149	262	13	6	14	33	54	1	88	166
Mainly mineral-exporting countries [d]	127	66	141	334	243	5	582	737	76	39	128	243	199	3	445	548
in Africa	18	22	54	94	16	2	112	150	25	4	83	112	9	—	121	174
of which : Belgian Congo	2	9	21	32	15	1	48	54	3	1	19	23	1	—	24	31
in Latin America	109	44	87	240	227	3	470	587	51	35	45	131	190	3	324	374
of which : Chile	38	22	62	122	75	2	199	247	25	14	22	61	42	1	104	138
Mexico	11	16	20	47	126	1	174	200	14	14	15	43	119	—	162	163
Agricultural-exporting countries, mainly non-food	920	373	688	1 981	582	260	2 823	4 681	1 107	161	490	1 758	395	182	2 335	3 650
in Asia	441	240	386	1 067	503	196	1 766	3 251	589	102	269	960	147	145	1 252	2 233
of which : India [e] and Pakistan	334	154	238	726	193	121	1 040	1 634	440	55	106	601	69	69	739	995
Indonesia	47	81	106	234	87	49	370	794	47	39	101	187	38	35	260	368
Malaya and Singapore	53	4	17	74	207	16	297	439	73	3	15	91	13	10	114	431
in Africa	247	65	173	485	43	10	538	716	248	44	182	474	90	17	581	814
of which : Union of South Africa	103	37	41	181	10	2	193	256	154	23	35	212	66	3	281	337
Egypt	112	14	71	197	28	8	233	321	55	15	90	160	13	12	185	323
Australia	232	68	129	429	36	54	519	714	270	15	39	324	158	20	502	603
Mainly food-exporting countries	834	459	912	2 205	959	225	3 389	3 793	617	199	665	1 481	864	38	2 383	3 234
of which : Argentina	327	194	394	915	108	3	1 026	1 275	152	82	188	422	193	3	618	743
Brazil	20	46	112	178	223	—	401	485	78	46	73	197	106	—	303	367
New Zealand	201	4	4	209	29	1	239	284	94	3	3	100	51	1	152	187
Total primary exporting countries	1 956	919	1 791	4 666	1 903	490	7 059	9 735	1 849	414	1 332	3 595	1 521	225	5 341	7 823
WORLD [b]	5 222	3 024	8 298	16 544	5 314	977	22 835	35 661	4 085	2 863	7 293	14 241	6 477	948	21 666	33 161

---

[a] Including eastern Germany.

[b] Excluding the trade of China and the countries of eastern Europe with one another, but including their trade with other countries.

[c] Including Sarawak.

[d] Including Surinam.

[e] Including Burma and Ceylon.

TABLE X (*continued*)

World trade by areas, classified according to type of principal exports, 1937-38 (average)

Millions of current dollars f.o.b.

Area of origin for imports and area of destination for exports	Imports into								Exports from							
	United Kingdom	Germany [a]	Other western Europe	Western Europe [a]	United States and Canada	Japan	Total industrialized countries	WORLD [b]	United Kingdom	Germany [a]	Other western Europe	Western Europe [a]	United States and Canada	Japan	Total industrialized countries	WORLD [b]
Highly industrialized countries	2 096	1 139	3 902	7 137	1 764	406	9 307	15 279	1 237	1 427	3 728	6 392	2 823	246	9 461	16 388
Western Europe [a]	1 220	970	3 239	5 429	807	107	6 343	10 242	910	1 296	3 317	5 523	1 675	85	7 283	12 153
United States and Canada	861	159	629	1 649	787	299	2 735	4 196	308	87	372	767	861	161	1 789	3 329
Japan	15	10	34	59	170	—	229	841	19	44	39	102	287	—	389	906
Mainly petroleum-exporting countries [c]	147	32	88	267	57	2	326	545	60	35	25	120	113	15	248	442
in Middle East	56	13	58	127	10	2	139	219	37	19	9	65	13	11	89	130
in Latin America	91	19	30	140	47	—	187	310	23	16	16	55	100	4	159	301
Mainly mineral-exporting countries [d]	127	86	189	402	118	7	527	810	49	62	118	229	149	16	394	475
in Africa	44	15	127	186	5	—	191	298	27	2	81	110	9	8	127	193
of which : Belgian Congo	1	13	66	80	2	—	82	99	2	2	14	18	2	3	23	32
in Latin America	83	71	62	216	113	7	336	509	22	60	36	118	140	8	266	279
of which : Chile	37	32	32	101	37	4	142	168	9	24	11	44	25	2	71	84
Mexico	13	16	23	52	56	3	111	217	6	23	17	46	89	3	138	123
Agricultural-exporting countries, mainly non-food	776	202	447	1 425	453	201	2 079	2 849	720	149	293	1 162	330	192	1 684	2 424
in Asia	324	132	309	765	387	143	1 295	1 805	273	82	171	526	111	144	781	1 338
of which : India and Pakistan	233	58	120	411	86	78	575	661	174	53	48	275	43	70	388	536
Indonesia	29	48	92	169	93	31	293	462	20	22	71	113	27	44	184	237
Malaya and Singapore	54	26	35	115	191	27	333	423	56	7	9	72	12	14	98	312
in Africa	143	44	79	266	30	27	323	417	257	51	99	407	116	28	551	641
of which : Union of South Africa	70	24	31	125	20	12	157	183	203	31	47	281	95	13	389	426
Egypt	56	18	41	115	10	14	139	178	41	20	48	109	14	7	130	165
Australia	309	26	59	394	36	31	461	627	190	16	23	229	103	20	352	445
Mainly food-exporting countries	899	422	832	2 153	704	150	3 007	3 254	500	213	591	1 304	572	173	2 049	2 694
of which : Argentina	212	95	200	507	94	8	609	758	99	60	104	263	96	9	368	405
Brazil	35	72	64	171	110	14	295	360	31	68	43	142	69	4	215	276
New Zealand	208	2	1	211	20	7	238	285	98	3	4	105	40	5	150	193
Total primary exporting countries	1 949	742	1 556	4 247	1 332	360	5 939	7 458	1 329	459	1 027	2 815	1 164	396	4 375	6 035
WORLD [b]	4 287	2 217	5 900	12 404	3 264	808	16 476	24 298	2 772	2 240	5 084	10 096	4 151	718	14 965	23 726

---

[a] Including eastern Germany.

[b] Excluding the trade of China and the countries of eastern Europe with one another, but including their trade with other countries.

[c] Including Sarawak.

[d] Including Surinam.

TABLE X (*continued*)

World trade by areas, classified according to type of principal exports, 1952

Millions of current dollars f.o.b.

Area of origin for imports and area of destination for exports	Imports into								Exports from							
	United Kingdom	Western Germany	Other western Europe	Western Europe	United States and Canada	Japan	Total industrialized countries	WORLD [a]	United Kingdom	Western Germany	Other western Europe	Western Europe	United States [b] and Canada	Japan	Total industrialized countries	WORLD [a]
Highly industrialized countries	4 236	2 346	12 852	19 434	8 213	889	28 536	49 608	3 198	3 066	11 343	17 607	10 511	428	28 546	46 693
Western Europe	2 601	1 696	10 029	14 326	2 513	768	17 607	28 747	2 293	2 772	9 947	15 012	4 614	179	19 805	30 982
United States and Canada	1 564	634	2 742	4 940	5 452	121	10 513	19 588	879	272	1 332	2 483	5 170	249	7 902	14 020
Japan	71	16	81	168	248	—	416	1 273	26	22	64	112	727	—	839	1 691
Mainly petroleum-exporting countries [c]	741	111	1 096	1 948	883	87	2 918	4 822	306	63	207	576	818	33	1 427	2 610
in Middle East	585	92	835	1 512	139	86	1 737	2 364	185	35	96	316	168	25	509	813
in Latin America	156	19	261	436	744	1	1 181	2 315	117	28	111	256	650	8	914	1 687
Mainly mineral-exporting countries [d]	363	161	688	1 212	1 024	74	2 310	2 637	248	94	778	1 120	1 175	21	2 316	2 842
in Africa	269	91	500	860	121	1	982	1 177	177	34	640	851	134	11	996	1 312
of which : Belgian Congo	26	45	224	295	82	—	377	405	30	13	177	220	76	7	303	351
in Latin America	94	68	186	348	882	73	1 303	1 436	70	60	129	259	1 028	10	1 297	1 504
of which : Chile	20	26	55	101	290	2	393	462	22	21	30	73	140	1	214	371
Mexico	10	27	71	108	410	62	580	593	20	20	65	105	707	6	818	739
Agricultural-exporting countries, mainly non-food	1 504	313	1 255	3 072	1 433	375	4 880	8 093	2 081	316	1 512	3 909	1 415	418	5 742	8 992
in Asia	670	182	633	1 485	1 064	224	2 773	4 786	888	184	950	2 022	811	369	3 202	5 227
of which : India and Pakistan	352	57	192	601	322	136	1 059	1 832	475	77	221	773	510	155	1 438	2 019
Indonesia	31	60	177	268	277	24	569	911	53	51	530	634	138	69	841	875
Malaya and Singapore	244	56	156	456	408	53	917	1 280	242	17	64	323	43	63	429	1 107
in Africa	278	90	305	673	195	34	902	1 586	572	93	430	1 095	376	21	1 492	2 044
of which : Union of South Africa	160	52	139	351	110	11	472	942	409	44	129	582	263	18	863	1 171
Egypt	32	26	125	183	76	22	281	417	92	38	180	310	96	3	409	550
Australia	556	41	317	914	174	117	1 205	1 721	621	39	132	792	228	28	1 048	1 721
Mainly food-exporting countries	1 674	376	2 115	4 165	3 277	336	7 778	8 438	1 608	420	2 255	4 283	2 975	302	7 560	8 832
of which : Argentina	130	57	179	366	163	3	532	709	60	79	199	338	156	9	503	1 047
Brazil	38	65	294	397	844	13	1 254	1 409	148	154	341	643	648	11	1 302	1 768
New Zealand	406	17	82	505	98	8	611	674	324	5	40	369	62	8	439	676
Total primary exporting countries	4 282	961	5 154	10 397	6 617	872	17 886	23 690	4 243	893	4 752	9 888	6 383	774	17 045	23 276
WORLD [a]	8 725	3 373	18 679	30 777	14 905	1 775	47 457	75 040	7 600	4 012	16 808	28 420	16 897	1 203	46 520	71 353

[a] Excluding the trade of China and the countries of eastern Europe with one another, but including their trade with other countries. [b] Excluding special categories. [c] Including Sarawak. [d] Including Surinam.

TABLE X (*concluded*)

World trade by areas, classified according to type of principal exports, 1956

Millions of current dollars f.o.b.

Area of origin for imports and area of destination for exports	Imports into								Exports from							
	United Kingdom	Western Germany	Other western Europe	Western Europe	United States and Canada	Japan	Total industrialized countries	WORLD [a]	United Kingdom	Western Germany	Other western Europe	Western Europe	United States [b] and Canada	Japan	Total industrialized countries	WORLD [a]
Highly industrialized countries	*4 862*	*4 093*	*17 688*	*26 643*	*11 435*	*1 256*	*39 334*	*64 147*	*4 256*	*5 341*	*14 970*	*24 567*	*14 388*	*866*	*39 821*	*61 679*
Western Europe	2 947	3 094	14 103	20 144	3 678	196	24 018	37 769	2 951	4 695	13 036	20 682	6 450	245	27 377	41 257
United States and Canada	1 855	974	3 475	6 304	7 137	1 060	14 501	23 877	1 238	584	1 832	3 654	6 918	621	11 193	17 820
Japan	60	25	110	195	620	—	815	2 501	67	62	102	231	1 020	—	1 251	2 602
Mainly petroleum-exporting countries [c]	*759*	*236*	*1 394*	*2 389*	*1 513*	*201*	*4 103*	*6 711*	*418*	*192*	*421*	*1 031*	*1 035*	*76*	*2 142*	*3 426*
in Middle East	493	155	1 061	1 709	308	183	2 200	3 394	217	99	198	514	233	56	803	1 177
in Latin America	242	81	333	656	1 205	2	1 863	3 158	190	93	221	504	799	18	1 321	2 117
Mainly mineral-exporting countries [d]	*479*	*297*	*895*	*1 671*	*1 029*	*144*	*2 844*	*3 549*	*295*	*187*	*842*	*1 324*	*1 403*	*33*	*2 760*	*3 198*
in Africa	321	86	690	1 097	170	3	1 270	1 609	210	55	626	891	127	7	1 025	1 365
of which: Belgian Congo	16	33	294	343	118	—	461	535	25	25	194	244	60	4	308	361
in Latin America	158	211	205	574	859	141	1 574	1 909	85	132	216	433	1 258	26	1 717	1 806
of which: Chile	73	79	68	220	238	4	462	543	15	38	51	104	158	8	270	310
Mexico	16	91	86	193	442	112	747	872	27	52	99	178	881	7	1 066	1 092
Agricultural-exporting countries, mainly non-food	*1 587*	*439*	*1 412*	*3 438*	*1 117*	*638*	*5 193*	*8 605*	*2 217*	*632*	*1 397*	*4 246*	*1 512*	*564*	*6 322*	*9 130*
in Asia	678	206	661	1 545	807	354	2 706	4 796	991	395	838	2 224	840	484	3 548	5 265
of which: India and Pakistan	402	65	174	641	276	135	1 052	1 609	567	225	340	1 132	444	123	1 699	1 991
Indonesia	24	68	149	241	192	78	511	882	45	68	162	275	141	76	492	746
Malaya and Singapore	189	55	173	417	256	122	795	1 361	231	30	94	355	50	78	483	1 187
in Africa	330	127	404	861	147	67	1 075	1 914	550	166	400	1 116	444	49	1 609	2 152
of which: Union of South Africa	247	71	198	516	119	23	658	1 156	439	87	172	698	327	35	1 060	1 385
Egypt	17	23	93	133	15	38	186	409	64	62	134	260	100	10	370	467
Australia	579	106	347	1 032	163	217	1 412	1 895	676	71	159	906	228	31	1 165	1 713
Mainly food-exporting countries	*1 766*	*754*	*2 442*	*4 962*	*3 228*	*500*	*8 690*	*9 190*	*1 818*	*675*	*2 488*	*4 981*	*3 041*	*882*	*8 904*	*11 871*
of which: Argentina	227	128	251	606	138	31	775	944	49	99	197	345	218	39	602	987
Brazil	66	101	319	486	780	44	1 310	1 482	42	78	250	370	306	45	721	1 080
New Zealand	483	31	106	620	76	8	704	879	358	18	34	410	64	6	480	752
Total primary exporting countries	*4 591*	*1 726*	*6 143*	*12 460*	*6 887*	*1 483*	*20 830*	*28 055*	*4 748*	*1 686*	*5 148*	*11 582*	*6 991*	*1 555*	*20 128*	*27 625*
WORLD [a]	*9 726*	*6 052*	*24 897*	*40 675*	*18 404*	*2 822*	*61 901*	*94 670*	*9 251*	*7 284*	*21 221*	*37 756*	*21 456*	*2 494*	*61 706*	*91 681*

Sources and methods: See Appendix B.

[a] Excluding the trade of China and the countries of eastern Europe with one another, but including their trade with other countries. [b] Excluding special categories. [c] Including Sarawak. [d] Including Surinam.

TA

Exports of selected European countries and the United St

Millions of dolla

Area of destination and period / Exporting country and commodity group	North America		of which: United States		of which: Canada		Latin America		Overseas Sterling Area		of which: British overseas territories		of which: Union of South Africa		of which: Other in Africa		of which: Other in Asia		of which: Other in Oceania		Affiliated overseas territories
	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952
UNITED KINGDOM																					
1. Food, drink and tobacco	75.2	104.7	57.4	85.8	17.3	18.9	12.6	14.4	170.4	205.8	107.6	146.5	3.9	7.3	4.6	8.2	34.9	25.1	19.4	18.7	7.2
2. Mineral fuels and petroleum products	4.5	2.1	0.4	0.1	4.0	2.0	5.8	2.1	50.4	33.2	27.2	15.6	1.2	3.1	0.5	0.8	14.3	10.3	7.2	3.4	12.4
3. Metallic ores and base metals	51.0	74.4	29.2	33.2	21.6	41.2	25.3	30.0	172.4	202.0	54.9	62.3	20.0	12.4	6.4	9.6	32.7	56.0	58.4	61.7	3.8
of which: Iron and steel	25.2	42.6	5.3	10.0	19.9	32.6	19.8	25.4	139.3	165.5	45.5	53.2	17.4	9.0	4.9	8.6	23.9	44.4	47.6	50.3	3.2
4. Oil-seeds, fats and oils	2.4	1.8	1.0	1.0	1.1	0.8	0.2	0.6	3.2	5.8	2.2	3.0	0.1	0.8	0.2	0.2	0.3	0.5	0.4	1.3	—
5. Textile fibres, natural	30.1	39.4	19.1	24.8	10.9	14.6	1.6	1.4	14.6	22.5	3.7	2.3	0.9	1.8	0.1	0.2	9.3	17.2	0.6	1.0	—
6. Selected construction materials	7.7	16.6	1.7	6.4	5.9	10.2	6.3	6.2	69.9	69.0	30.3	36.2	5.4	6.5	1.8	2.8	10.3	10.0	22.1	13.5	1.7
7. Other raw materials	6.4	8.1	5.3	5.8	0.9	2.3	0.4	0.5	7.4	11.0	3.6	4.4	0.4	1.2	0.1	0.1	1.4	2.3	1.9	3.0	0.2
8. Metal manufactures	25.7	25.3	8.0	10.9	17.7	14.4	13.1	12.3	152.4	164.8	53.0	53.4	18.0	20.5	5.6	6.9	32.9	48.2	42.9	35.8	5.6
9. Power-generating (except electric) machinery	7.4	15.7	1.3	4.9	6.1	10.8	11.4	9.8	83.5	93.8	20.5	19.9	14.5	15.5	2.6	4.0	24.7	29.2	21.2	25.2	3.9
10. Agricultural machinery	2.6	2.1	1.4	1.3	1.2	0.8	2.2	1.2	19.3	12.6	3.0	2.4	2.4	1.7	0.6	0.6	2.0	0.8	11.3	7.1	1.8
11. Metal-working, mining, construction and other industrial machinery	42.4	54.0	17.5	24.4	24.9	29.6	57.8	35.9	266.8	271.2	63.0	67.6	43.3	35.7	7.1	12.5	77.5	89.2	75.9	66.2	14.8
12. Electric machinery	21.3	47.4	4.2	19.9	16.9	27.5	24.5	22.0	233.5	254.5	55.8	69.5	40.9	33.5	7.9	13.6	56.9	69.5	72.0	68.4	3.9
13. Tractors	6.0	6.6	0.7	4.6	5.3	2.0	4.3	6.9	27.9	40.4	3.9	6.7	4.1	9.2	0.7	1.3	2.3	6.0	16.9	17.2	3.5
14. Railway vehicles	77.4	5.1	43.1	—	34.3	5.1	69.2	6.8	387.6	56.7	102.9	12.9	30.9	9.7	37.9	5.6	66.2	14.3	149.7	14.2	18.1
15. Road motor vehicles		68.4		45.6		22.8		17.5		318.9		103.3		39.5		19.7		38.5		117.9	
16. Other vehicles		74.3		44.6		29.7		37.3		135.6		64.4		2.5		7.7		19.3		41.7	
17. Chemicals	35.2	44.0	23.7	22.5	11.3	21.5	31.5	38.7	199.1	290.1	78.2	107.1	22.7	30.7	4.6	7.4	59.6	80.0	34.0	64.9	8.0
18. Textile manufactures and clothing	127.9	142.1	69.5	75.9	58.3	66.2	41.2	27.0	440.5	365.0	171.4	100.1	62.5	58.6	13.0	20.3	62.2	41.4	131.4	144.6	15.1
of which:																					
Textile yarns (including synthetic fibres)	13.7	14.0	4.9	3.7	8.8	10.3	14.2	9.8	52.2	73.1	11.9	12.5	7.8	11.5	0.6	1.3	14.8	16.3	17.1	31.5	0.3
Cotton fabrics	9.1	12.0	5.0	7.0	4.1	5.0	3.3	1.2	172.2	110.0	84.0	35.2	19.0	17.4	5.8	8.2	25.3	12.1	38.1	37.1	11.0
Other fabrics	87.4	102.2	49.0	56.3	38.4	45.9	22.9	15.4	183.2	163.8	63.9	45.1	29.8	26.8	4.9	9.5	18.3	11.7	66.3	70.7	3.3
19. Paper, manufactures of wood and paper (excluding furniture)	2.7	7.9	2.0	6.3	0.6	1.6	1.7	2.1	39.9	52.8	11.4	13.6	5.2	7.1	0.8	1.4	6.2	6.8	16.3	23.9	0.3
20. All other commodities	89.8	181.2	42.3	119.5	47.2	61.7	25.2	16.8	235.9	302.9	104.0	143.4	29.6	35.8	9.8	16.8	37.5	41.7	55.0	65.2	9.1
of which: Instruments and watches	3.3	3.9	1.3	2.1	2.0	1.8	2.6	1.8	17.6	26.1	5.7	7.4	2.6	3.2	0.4	1.1	3.9	6.6	5.0	7.8	0.4
TOTAL EXPORTS	615.7	921.2	327.8	537.5	285.5	383.7	334.3	289.5	2 574.7	2 908.6	896.6	1 034.6	306.0	333.1	104.3	139.7	531.2	606.3	736.6	794.9	109.4
FRANCE																					
1. Food, drink and tobacco	24.4	43.9	20.5	37.3	3.6	6.6	11.7	8.9	11.1	25.0	7.4	15.3	0.1	0.5	0.1	1.3	1.1	6.0	2.4	1.9	172.2
of which: Cereals and preparations	—	0.2	—	0.2	—	—	0.1	—	—	7.0	—	2.3	—	—	—	0.9	—	3.8	—	—	20.6
Fruits and vegetables	2.4	6.1	1.7	5.6	0.6	0.5	1.1	0.3	0.7	1.6	0.4	0.7	—	0.2	0.1	—	0.1	0.3	0.1	0.4	18.3
Beverages	15.3	28.4	12.5	22.7	2.7	5.7	7.6	7.2	10.0	10.8	6.8	7.8	0.1	0.3	—	0.2	0.9	1.2	2.2	1.3	37.8
2. Mineral fuels and petroleum products	—	0.2	—	0.2	—	—	0.2	0.1	17.9	6.9	4.3	6.0	2.0	0.1	—	0.6	10.4	—	1.2	0.2	66.2
3. Metallic ores and base metals	19.0	33.4	17.1	29.6	1.7	3.8	19.9	27.2	18.6	39.9	3.6	7.8	5.0	5.7	—	0.6	5.1	23.0	4.9	2.8	63.9
of which: Ores and scrap	—	0.2	—	0.2	—	—	—	—	—	0.1	—	—	—	—	—	—	—	0.1	—	—	0.2
Iron and steel	18.6	31.4	16.8	27.6	1.7	3.8	18.7	26.4	18.5	39.6	3.6	7.8	5.0	5.7	—	0.6	5.0	22.7	4.9	2.8	58.9
4. Oil-seeds, fats and oils	1.4	0.2	1.3	0.2	—	—	1.2	0.5	0.6	0.4	0.1	0.2	—	—	0.1	—	—	—	0.4	0.2	8.5
5. Textile fibres, natural	5.8	8.0	5.1	7.8	0.5	0.2	0.9	2.7	0.2	0.8	—	—	0.2	0.3	—	—	—	0.4	—	0.1	3.2
6. Selected construction materials	1.2	4.3	0.9	3.5	0.3	0.8	2.3	2.2	2.8	1.2	0.4	0.4	—	0.1	—	—	0.2	.0.3	2.2	0.4	24.7
7. Other raw materials	10.1	6.0	9.3	5.6	0.7	0.4	1.3	1.3	0.5	0.5	0.2	0.1	—	—	0.1	—	0.2	0.2	—	0.2	16.4
8. Metal manufactures	2.4	3.4	2.0	3.1	0.4	0.3	6.7	5.6	3.6	4.3	0.8	1.1	0.7	0.3	—	0.1	1.3	2.6	0.8	0.2	57.5
9. Power-generating (except electric) machinery	0.6	0.5	0.6	0.4	—	0.1	4.1	3.4	0.5	1.0	0.2	0.1	—	0.1	0.1	—	0.1	0.8	0.1	—	15.2
10. Agricultural machinery	—	—	—	—	—	—	0.3	0.1	0.5	0.2	0.1	0.1	0.3	0.1	—	—	—	—	0.1	—	4.8
11. Metal-working, mining, construction and other industrial machinery	5.9	4.1	5.2	3.4	0.7	0.7	19.6	16.0	3.9	7.8	1.3	0.6	1.1	0.9	—	0.1	0.9	5.6	0.6	0.6	60.8
12. Electric machinery	0.4	2.1	0.4	1.9	—	0.2	3.9	5.3	1.2	2.2	0.2	0.2	0.1	—	—	—	0.6	1.9	0.3	0.1	47.1
13. Tractors	—	—	—	—	—	—	1.0	4.4	0.4	—	—	—	—	—	0.1	—	0.2	—	0.1	—	2.9
14. Railway vehicles	—	—	—	—	—	—	6.4	0.5	4.1	4.1	0.2	—	0.5	—	—	—	3.3	4.1	0.1	—	11.1
15. Road motor vehicles	0.9	6.8	0.8	6.7	0.1	0.1	8.1	6.7	3.7	10.2	1.4	3.7	1.2	2.7	—	0.2	0.3	0.8	0.8	2.8	72.5
16. Other vehicles	0.3	1.2	0.2	1.2	0.1	—	1.7	10.1	0.4	1.1	0.2	0.1	—	—	0.1	—	0.1	1.0	—	—	11.1
17. Chemicals	24.2	22.3	23.2	20.1	0.8	2.2	16.8	17.6	16.3	18.2	9.1	4.6	0.6	1.2	0.2	0.2	4.4	9.4	2.0	2.8	77.1
18. Textile manufactures and clothing	27.2	35.0	23.9	31.4	3.3	3.6	15.9	10.6	9.9	21.0	2.2	3.1	2.1	3.8	0.1	0.3	2.8	7.0	2.7	6.8	170.3
of which:																					
Textile yarns (including synthetic fibres)	3.9	6.4	3.7	6.0	0.2	0.4	9.7	6.3	2.8	9.4	0.8	0.8	0.3	1.7	—	0.1	1.5	5.6	0.2	1.2	11.4
Cotton fabrics	0.7	1.0	0.4	0.8	0.2	0.2	1.5	0.2	0.9	1.6	0.1	0.1	0.2	0.3	—	—	—	0.2	0.6	1.0	78.6
Other fabrics	17.4	19.9	15.1	17.7	2.3	2.2	4.1	3.2	5.6	8.9	1.1	1.7	1.5	1.6	0.1	0.2	1.2	1.1	1.7	4.3	62.8
19. Paper, manufactures of wood and paper (excluding furniture)	0.9	1.6	0.7	1.2	—	0.4	1.0	1.6	1.7	1.6	0.4	0.3	0.4	0.7	—	—	0.5	0.4	0.4	0.2	22.4
20. All other commodities	19.0	36.6	15.8	31.4	2.7	5.2	15.3	10.0	8.9	11.4	3.5	3.7	1.8	2.3	0.2	0.5	1.9	3.2	1.5	1.7	172.4
TOTAL EXPORTS	143.7	209.6	127.0	185.0	14.9	24.6	138.3	134.8	106.8	157.8	35.6	47.4	16.1	18.8	1.1	3.9	33.4	66.7	20.6	21.0	1 080.3

Sources and methods: See Appendix B. NOTE. — *Highly industrialized countries:* Eastern Europe, Japan, North America, western Europe; *Semi-industrialized countries:* Non-dollar Latin America, Oceania, Union of South Africa; *Non-industr*

main commodity groups and by area of destination

0 prices, f.o.b.

Other overseas countries		of which: In Africa		Japan		China		Other in Asia		Total overseas countries[b]		of which: Dollar Area		Western Europe		Eastern Europe		Total World		of which: Highly industrialized countries		Semi-industrialized countries		Non-industrialized countries[b]		Group
1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	
37.1	22.0	18.1	10.9	1.6	2.4	—	—	17.4	8.7	303.0	355.0	82.2	115.7	92.1	123.4	2.6	2.2	397.7	480.6	171.5	232.7	29.0	30.6	197.2	217.3	1.
10.0	5.9	7.3	1.6	—	0.8	—	—	2.7	3.5	83.1	64.9	4.7	2.9	200.5	262.4	—	0.1	283.6	327.4	205.0	265.4	14.0	8.0	64.6	54.0	2.
17.4	28.5	7.3	5.6	—	3.5	0.1	2.8	10.0	16.6	270.0	337.5	59.4	90.3	105.2	151.7	1.2	34.8	376.4	524.0	157.4	264.4	95.2	89.5	123.8	170.1	3.
14.1	*22.9*	*5.5*	*4.4*	—	*1.9*	*0.1*	*2.7*	*8.5*	*13.9*	*201.6*	*258.5*	*32.6*	*56.0*	*61.6*	*77.0*	*0.5*	*0.3*	*263.7*	*335.8*	*87.3*	*121.8*	*77.4*	*72.4*	*99.0*	*141.6*	
0.6	1.2	0.1	0.2	—	0.1	0.1	—	0.4	0.9	6.4	9.8	2.4	2.2	2.8	14.2	—	0.1	9.2	24.1	5.2	16.2	0.6	2.4	3.4	5.5	4.
7.0	34.2	1.9	2.3	0.2	14.1	2.0	13.3	2.9	4.5	53.4	97.6	30.9	40.5	78.4	96.6	5.0	8.8	136.8	203.0	113.7	158.9	2.2	3.2	20.9	40.9	5.
5.0	6.6	1.9	2.1	—	0.2	—	—	3.1	4.3	90.6	99.7	9.8	21.9	13.3	16.8	—	0.1	103.9	116.6	21.0	33.7	31.6	21.2	51.3	61.7	6.
0.5	1.8	0.1	0.1	0.3	0.7	—	—	0.1	1.0	14.9	21.8	6.4	8.3	17.9	32.1	0.1	0.8	32.9	54.7	24.7	41.7	2.7	4.5	5.5	8.5	7.
14.5	17.3	5.1	5.3	1.1	0.3	—	0.2	8.3	11.5	211.4	223.1	32.0	34.5	56.9	85.3	0.2	0.2	268.5	308.6	83.9	111.1	67.8	60.0	116.8	137.5	8.
13.6	19.7	5.0	4.3	0.3	0.4	—	0.1	8.3	14.9	121.2	143.6	11.2	22.4	40.0	73.0	0.3	2.0	161.5	218.6	48.0	91.1	44.1	45.2	69.4	82.3	9.
1.1	1.9	0.7	0.3	—	0.1	—	0.1	0.4	1.4	27.9	18.6	2.9	2.9	21.7	13.7	—	1.7	49.6	34.0	24.3	17.6	15.6	9.3	9.7	7.1	10.
31.3	40.9	9.9	9.4	2.0	3.6	1.2	0.4	18.2	27.5	413.1	411.8	58.5	7.9	181.6	196.6	7.2	9.7	601.9	618.1	233.2	263.9	160.9	115.8	207.8	238.4	11.
19.4	26.0	7.9	6.3	0.6	1.7	0.4	0.4	10.5	17.6	302.6	354.3	29.5	60.9	86.3	106.5	5.5	6.4	394.4	467.2	113.7	162.0	129.3	110.7	151.4	194.5	12.
1.0	5.8	0.4	1.4	—	0.1	—	1.0	0.6	3.3	42.7	62.3	6.6	10.5	58.1	46.6	—	0.1	100.8	109.0	64.1	53.4	24.7	29.9	12.0	25.7	13.
58.2	1.7	32.5	0.7	2.3	0.6	—	—	23.4	0.4	610.7	71.7	96.1	5.3	248.2	15.1	0.7	0.5	859.6	87.3	328.6	21.3	231.1	30.6	299.9	35.4	14.
	29.4		5.5		3.1		0.5		20.3		444.7		80.1		145.8		0.8		591.3		218.1		164.7		208.5	15.
	47.8		36.1		0.2		1.3		10.2		301.4		133.4		120.8		4.1		426.3		199.4		54.5		172.4	16.
37.7	48.7	12.6	11.5	1.7	6.0	9.0	3.3	14.4	27.9	311.6	436.4	48.1	61.9	105.9	194.3	2.1	5.6	419.6	636.3	144.9	249.9	77.0	118.1	197.7	268.3	17.
45.2	40.8	20.5	5.6	3.0	8.9	0.5	0.7	21.2	25.6	670.0	593.3	146.2	161.5	197.1	203.2	2.4	1.9	869.5	798.4	330.4	356.1	217.7	212.7	321.4	229.6	18.
6.8	*10.8*	*1.9*	*1.1*	*0.8*	*1.8*	—	*0.5*	*4.1*	*7.4*	*87.2*	*107.9*	*18.6*	*22.0*	*54.3*	*65.3*	*2.2*	*0.9*	*143.7*	*174.1*	*71.0*	*82.0*	*34.3*	*46.0*	*38.4*	*46.1*	
10.8	*5.9*	*6.0*	*1.3*	—	*0.2*	*0.2*	—	*4.6*	*4.4*	*206.4*	*142.3*	*10.3*	*13.3*	*28.0*	*21.4*	—	—	*234.4*	*163.7*	*37.1*	*33.6*	*59.2*	*54.9*	*138.1*	*75.2*	
25.4	*22.9*	*11.5*	*3.0*	*2.0*	*6.7*	*0.3*	*0.2*	*11.6*	*13.0*	*322.2*	*308.7*	*98.9*	*111.9*	*86.6*	*100.4*	*0.2*	*1.0*	*409.0*	*410.1*	*176.2*	*210.3*	*108.0*	*103.4*	*124.8*	*96.4*	
1.9	2.2	1.0	0.7	—	—	—	0.1	0.9	1.4	46.5	65.4	3.0	8.6	7.8	16.0	0.1	0.1	54.4	81.5	10.6	24.0	22.9	32.4	20.9	25.1	19.
31.7	38.0	12.4	7.8	1.2	3.3	0.1	1.2	18.0	25.7	391.7	547.5	98.0	192.1	189.1	208.7	4.0	7.7	584.8	763.9	284.1	400.9	101.6	108.2	199.1	254.8	20.
1.7	*3.8*	*0.7*	*0.7*	*0.2*	*0.6*	—	*0.7*	*0.8*	*1.8*	*25.7*	*36.4*	*4.1*	*4.9*	*12.0*	*16.7*	*0.4*	*0.6*	*38.1*	*53.7*	*15.9*	*21.8*	*9.3*	*11.8*	*12.9*	*20.1*	
33.2	420.4	144.7	117.7	14.3	50.1	13.4	25.4	160.8	227.2	3 970.8	4 660.4	727.9	1 063.8	1 702.9	2 122.8	31.4	87.7	5 705.1	6 870.9	2 364.3	3 181.8	1 268.0	1 251.5	2 072.8	2 437.6	TOTAL EXPORTS
58.1	19.4	1.5	5.8	0.9	1.4	—	2.4	55.7	9.8	277.5[c]	370.6[c]	31.0	52.1	164.9	316.4	0.9	33.5	445.7[d]	723.6[d]	191.1	395.2	7.7	3.5	244.5[c]	321.8[c]	1.
10.5	*5.5*	*0.1*	*2.7*	—	—	—	—	*10.4*	*2.8*	*31.3*	*60.1*	—	*0.2*	*14.9*	*95.7*	—	*31.7*	*46.2*	*187.5*	*14.9*	*127.6*	*0.1*	—	*31.2*	*59.9*	
6.3	*0.5*	*0.2*	*0.1*	—	—	—	—	*6.1*	*0.4*	*28.8*[c]	*36.5*[c]	*2.4*	*6.2*	*33.9*	*40.1*	*0.9*	*0.2*	*64.3*[d]	*77.6*[d]	*37.2*	*46.4*	*1.1*	*0.7*	*25.3*[c]	*29.7*[c]	
19.4	*4.1*	*0.9*	*0.4*	*0.9*	*0.6*	—	*0.1*	*17.6*	*3.0*	*90.1*[c]	*95.9*[c]	*21.3*	*35.1*	*64.6*	*103.1*	—	*0.8*	*155.4*[d]	*200.6*[d]	*80.8*	*132.9*	*3.9*	*2.2*	*70.0*[c]	*64.7*[c]	
35.2	5.8	14.1	2.8	—	—	—	—	21.1	3.0	119.5[e]	104.8[e]	—	0.2	135.4	160.4	—	—	268.6[f]	278.5[f]	135.4	160.6	3.4	0.4	116.1[e]	104.2[e]	2.
24.1	32.0	4.1	4.3	0.1	1.6	1.0	2.6	18.9	23.5	145.6	187.2	27.4	53.0	151.8	294.7	4.3	20.4	301.7	502.3	175.2	350.1	21.4	18.7	105.1	133.5	3.
—	*0.1*	—	—	—	*0.1*	—	—	—	—	*0.2*	*0.5*	—	*0.2*	*36.0*	*70.2*	*0.1*	—	*36.3*	*70.7*	*36.1*	*70.5*	—	—	*0.2*	*0.2*	
22.5	*30.9*	*4.1*	*4.1*	*0.1*	*1.5*	*1.0*	*2.6*	*17.3*	*22.7*	*137.4*	*178.9*	*26.9*	*50.9*	*110.6*	*213.5*	*4.0*	*20.3*	*252.0*	*412.7*	*133.3*	*266.7*	*20.3*	*17.9*	*98.4*	*128.1*	
1.6	0.5	0.1	0.1	—	0.1	—	—	1.5	0.3	13.5	18.7	1.6	0.6	7.7	10.0	0.1	0.4	21.3	29.1	9.2	10.7	1.4	0.3	10.7	18.1	4.
6.5	6.9	0.6	1.9	0.9	0.4	—	4.2	5.0	0.4	16.6	20.5	6.2	9.1	106.7	159.6	2.7	5.4	126.0	185.5	116.1	173.4	0.7	2.1	9.2	10.0	5.
5.1	2.5	0.7	0.2	—	0.1	—	—	4.4	2.2	36.1	28.5	2.0	5.4	7.8	13.9	0.1	0.2	44.0	42.6	9.1	18.5	3.7	1.6	31.2	22.5	6.
2.4	2.4	0.5	0.6	—	0.3	—	—	1.9	1.5	30.7	33.6	10.3	6.2	59.1	137.0	1.0	1.5	90.8	172.1	70.2	144.8	1.0	1.4	19.6	25.9	7.
17.2	7.7	2.4	1.2	—	—	—	—	14.8	6.5	87.4	69.4	5.1	6.9	19.5	20.6	0.9	0.2	107.8	90.2	22.8	24.2	5.6	3.0	79.4	63.0	8.
4.5	1.8	0.7	0.4	—	—	—	0.1	3.8	1.3	24.9	18.1	2.7	1.4	10.6	8.4	1.5	0.5	37.0	27.0	12.7	9.4	2.1	2.6	22.2	15.0	9.
0.3	0.1	—	—	—	—	—	—	0.3	0.1	5.9	2.3	—	—	5.7	3.1	—	—	11.6	5.4	5.7	3.1	0.7	0.2	5.2	2.1	10.
15.6	9.1	4.4	2.1	—	0.4	—	1.4	11.2	5.2	105.8	81.2	9.7	11.3	62.0	71.3	5.1	4.8	172.9	157.3	73.0	80.6	17.5	10.4	82.4	66.3	11.
13.0	5.4	1.8	0.9	—	0.1	—	—	11.2	4.4	65.6	53.0	1.0	4.8	22.2	24.1	1.0	1.0	88.8	78.1	23.6	27.3	3.6	2.8	61.6	48.0	12.
0.6	0.9	—	—	—	—	—	0.8	0.6	0.1	4.9	8.3	0.5	0.1	4.3	2.4	—	—	9.2	10.7	4.3	2.4	0.7	4.4	4.2	3.9	13.
1.4	0.2	—	—	—	—	—	—	1.4	0.2	23.0	12.8	—	0.3	10.7	9.1	—	0.4	33.7	22.3	10.7	9.5	7.0	0.2	16.0	12.6	14.
19.7	8.9	0.9	0.9	0.3	0.8	—	1.5	18.5	5.7	105.0	113.7	2.0	9.3	40.7	61.7	1.3	1.9	147.0	177.3	43.2	71.2	9.1	9.7	94.7	96.4	15.
6.6	7.3	0.2	4.8	—	—	—	0.1	6.4	2.4	20.1	31.6	1.4	10.4	7.4	22.7	0.8	8.7	28.3	63.0	8.5	32.6	0.5	5.6	19.3	24.8	16.
31.6	40.1	4.9	3.9	2.6	9.8	1.0	4.0	23.1	22.4	166.1	206.5	28.1	29.2	91.0	146.1	5.9	7.9	263.0	360.5	123.7	186.1	15.7	15.1	123.6	159.3	17.
95.3	28.3	5.4	4.3	0.2	0.1	—	0.6	89.7	23.3	318.9	267.4	32.1	40.6	93.7	183.4	2.7	3.1	415.3	453.9	123.8	221.6	16.0	15.8	275.5	216.5	18.
12.8	*11.1*	*2.0*	*1.8*	—	—	—	*0.5*	*10.8*	*8.8*	*40.6*	*45.3*	*7.0*	*9.8*	*42.8*	*103.1*	*1.1*	*1.8*	*84.5*	*150.2*	*47.8*	*111.3*	*7.2*	*6.0*	*29.5*	*32.9*	
51.8	*6.6*	*0.4*	*0.3*	—	—	—	—	*51.4*	*6.3*	*133.5*	*66.3*	*0.8*	*1.1*	*5.4*	*9.6*	—	—	*138.9*	*75.9*	*6.1*	*10.6*	*2.3*	*1.4*	*130.5*	*63.9*	
28.2	*9.3*	*2.7*	*1.9*	*0.1*	*0.1*	—	*0.1*	*25.4*	*7.2*	*118.5*	*107.5*	*19.0*	*21.4*	*37.1*	*55.3*	*1.6*	*1.1*	*157.2*	*163.9*	*56.2*	*76.4*	*5.9*	*7.7*	*95.1*	*79.8*	
7.2	4.4	1.3	0.1	—	—	—	0.2	5.9	4.1	33.2	36.4	0.9	2.1	16.8	22.8	0.3	0.4	50.3	59.6	18.0	24.8	1.7	2.1	30.6	32.7	19.
43.7	21.8	5.3	3.5	0.1	0.4	—	1.1	38.3	16.8	259.6	247.4	23.9	42.2	88.2	115.4	1.2	2.2	349.0	365.0	108.5	154.6	13.7	8.4	226.8	202.0	20.
389.7	205.5	48.9	37.8	5.1	15.5	2.0	19.0	333.7	133.2	1 859.9	1 912.0	185.9	285.2	1 106.2	1 783.1	29.8	92.5	3 012.0	3 804.0	1 284.8	2 100.7	133.2	108.3	1 577.9	1 578.6	TOTAL EXPORTS

les : obtained by difference. [a] Excluding the sterling area. [b] Including unallocated exports. [c] Excluding ships' stores. [d] Including ships' stores. [e] Excluding bunkers. [f] Including bunkers.

A-22

TABL

Exports of selected European countries and the United Stat

Millions of dollars

Area of destination and period / Exporting country and commodity group	North America 1952	North America 1956	of which: United States 1952	United States 1956	of which: Canada 1952	Canada 1956	Latin America 1952	Latin America 1956	Overseas Sterling Area 1952	Overseas Sterling Area 1956	of which: British overseas territories 1952	British overseas territories 1956	Union of South Africa 1952	Union of South Africa 1956	Other in Africa 1952	Other in Africa 1956	Other in Asia 1952	Other in Asia 1956	Other in Oceania 1952	Other in Oceania 1956	Affiliated overseas territories [a] 1952	Affiliated overseas territories [a] 1956
WESTERN GERMANY																						
1. Food, drink and tobacco	10.1	18.1	9.5	17.1	0.1	1.0	3.5	3.0	3.4	11.1	2.4	5.7	—	0.3	0.1	2.1	0.8	2.0	0.1	1.0	1.2	2.0
2. Mineral fuels and petroleum products	2.3	3.0	2.3	3.0	—	—	—	0.6	1.1	0.7	0.1	0.2	—	0.1	—	—	0.9	0.2	0.1	0.2	—	—
3. Metallic ores and base metals	32.9	50.5	31.4	44.3	1.4	6.2	24.1	53.0	20.2	37.4	4.0	7.6	3.8	4.4	0.9	0.9	6.1	22.9	5.4	1.6	1.2	3.3
of which : Iron and steel	*24.6*	*31.1*	*22.9*	*25.3*	*1.4*	*5.8*	*21.0*	*45.1*	*16.9*	*32.3*	*3.4*	*6.4*	*3.7*	*4.2*	*0.8*	*0.9*	*4.6*	*19.4*	*4.2*	*1.4*	*1.1*	*3.0*
4. Oil-seeds, fats and oils	0.8	0.4	0.7	0.4	—	—	—	0.6	0.1	0.6	—	0.1	—	—	—	0.1	0.1	0.4	—	—	—	1.5
5. Textile fibres, natural	3.0	2.3	2.9	2.2	—	0.1	—	0.2	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6. Selected construction materials	4.0	12.0	2.5	8.6	1.4	3.4	16.8	7.3	7.7	6.6	1.6	3.2	0.1	0.4	1.2	0.1	1.5	2.4	3.3	0.5	1.9	3.2
7. Other raw materials	5.2	6.2	5.1	6.0	—	0.2	0.4	1.0	0.6	1.2	0.3	0.6	0.1	0.1	—	0.1	0.2	0.2	—	0.2	0.1	0.2
8. Metal manufactures	10.9	31.1	8.8	25.8	2.1	5.3	40.7	35.1	20.1	29.4	9.5	11.5	2.6	3.8	0.5	0.9	5.0	9.4	2.5	3.8	5.0	6.9
9. Power-generating (except electric) machinery	0.5	1.9	0.4	1.6	0.1	0.3	13.5	11.9	7.4	10.0	1.2	1.4	1.1	0.8	0.2	0.1	4.7	7.4	0.2	0.3	1.2	2.3
10. Agricultural machinery	0.2	0.6	0.1	0.4	—	0.2	1.7	1.5	0.7	1.5	0.1	0.2	0.4	0.6	—	0.1	0.1	0.2	0.1	0.4	0.5	0.6
11. Metal-working, mining, construction and other industrial machinery	31.5	57.4	27.7	47.8	3.7	9.6	71.9	67.6	33.1	76.7	5.4	8.1	7.0	9.8	0.5	2.2	12.8	45.0	7.4	11.6	7.8	9.5
12. Electric machinery	2.7	16.9	2.4	14.9	0.3	2.0	25.7	49.6	11.8	38.4	2.4	7.8	1.6	4.6	0.2	0.8	6.7	21.5	0.9	3.7	3.6	7.6
13. Tractors	0.2	0.2	—	0.1	—	0.1	11.3	16.6	1.7	3.2	0.1	0.1	0.7	0.9	—	0.1	0.6	1.7	0.3	0.4	1.4	0.7
14. Railway vehicles	—	0.4	—	0.4	—	—	3.5	5.0	9.6	13.2	0.4	0.7	0.8	0.6	0.7	—	6.4	11.7	1.3	0.2	1.7	1.4
15. Road motor vehicles	2.4	63.3	2.0	50.8	0.3	12.5	20.2	34.3	6.3	57.0	1.9	14.3	3.4	10.9	0.3	1.2	0.5	20.6	0.2	10.0	3.7	12.1
16. Other vehicles	0.9	8.5	0.9	8.2	—	0.3	14.6	14.5	1.9	11.6	1.2	1.4	0.3	0.4	—	0.1	0.4	9.6	—	0.1	1.2	1.3
17. Chemicals	22.9	48.9	21.3	40.6	1.5	8.3	23.3	87.7	30.3	76.2	10.9	15.3	2.0	8.6	0.4	2.2	14.5	34.7	2.5	15.4	2.4	6.6
18. Textile manufactures and clothing	16.7	30.9	15.1	26.0	1.3	4.9	5.8	11.6	26.1	52.2	12.6	15.2	4.3	11.0	0.3	0.7	4.4	14.6	4.5	10.7	6.9	10.6
of which :																						
Textile yarns (including synthetic fibres)	*6.0*	*9.4*	*5.6*	*8.8*	—	*0.6*	*2.1*	*5.1*	*2.6*	*17.0*	*0.3*	*1.5*	*0.4*	*4.5*	—	—	*1.7*	*9.8*	*0.2*	*1.2*	—	*0.4*
Cotton fabrics	*1.0*	*3.2*	*0.6*	*2.0*	*0.4*	*1.2*	*0.8*	*0.5*	*10.2*	*10.1*	*6.4*	*1.7*	*0.8*	*1.7*	*0.1*	*0.2*	*1.3*	*2.5*	*1.6*	*4.0*	*4.7*	*3.4*
Other fabrics	*8.7*	*12.1*	*8.3*	*9.9*	*0.4*	*2.2*	*2.8*	*4.6*	*12.8*	*21.6*	*5.7*	*10.1*	*3.0*	*4.4*	*0.2*	*0.3*	*1.2*	*2.0*	*2.7*	*4.8*	*2.1*	*6.2*
19. Paper, manufactures of wood and paper (excluding furniture)	0.9	8.3	0.8	7.8	—	0.5	1.5	6.8	1.1	3.9	0.3	0.9	0.1	0.8	—	0.1	0.5	1.1	0.2	1.0	0.2	0.7
20. All other commodities	62.9	108.7	58.0	94.9	4.5	13.8	33.8	52.2	22.1	69.6	9.6	28.5	3.2	10.0	0.8	2.0	5.0	15.4	3.5	13.7	4.7	11.6
of which : Instruments and watches	*26.9*	*40.9*	*14.5*	*34.5*	*2.2*	*6.4*	*12.5*	*15.5*	*8.9*	*25.1*	*4.2*	*8.6*	*1.1*	*3.0*	*0.2*	*0.7*	*2.0*	*7.0*	*1.3*	*5.8*	*1.4*	*3.1*
TOTAL EXPORTS	211.0	469.6	191.9	400.9	16.7	68.7	312.3	460.1	205.3	500.5	64.0	122.8	31.5	68.1	6.1	13.8	71.2	221.0	32.5	74.8	44.7	82.1
ITALY																						
1. Food, drink and tobacco	26.6	38.0	23.9	32.7	2.7	5.3	6.7	6.0	9.8	14.9	5.3	6.4	0.4	1.4	1.8	2.0	1.9	3.2	0.4	1.9	3.0	6.5
of which : Cereals and preparations	*0.5*	*0.9*	*0.5*	*0.9*	—	—	*0.1*	*0.1*	*3.0*	*6.3*	*2.5*	*2.7*	—	*1.1*	*0.5*	*0.6*	—	*1.7*	—	*0.2*	*0.8*	*1.8*
Fruits	*4.6*	*5.3*	*3.3*	*3.7*	*1.3*	*1.6*	*1.3*	*0.6*	*2.3*	*2.1*	*1.2.*	*0.9*	—	*0.1*	*0.3*	*0.2*	*0.6*	*0.4*	*0.2*	*0.5*	*0.6*	*1.7*
Vegetables	*6.5*	*9.9*	*5.8*	*7.7*	*0.7*	*2.2*	*1.3*	*0.6*	*3.2*	*4.3*	*0.8*	*1.8*	*0.4*	*0.2*	*0.6*	*0.6*	*1.3*	*1.0*	*0.1*	*0.7*	*0.6*	*1.6*
2. Mineral fuels and petroleum products	3.5	1.5	3.5	1.5	—	—	0.1	—	27.0	9.5	17.0	5.2	0.8	0.2	1.0	3.6	7.6	0.5	0.6	—	3.9	20.0
3. Metallic ores and base metals	8.6	10.4	8.5	9.1	0.1	1.3	3.3	13.3	3.6	15.4	0.1	3.2	—	0.3	0.2	0.5	3.1	10.4	0.2	1.0	0.2	0.3
of which : Iron and steel	*5.5*	*6.5*	*5.4*	*5.2*	*0.1*	*1.3*	*1.5*	*12.7*	*3.0*	*12.6*	*0.1*	*2.9*	—	*0.1*	*0.2*	*0.5*	*2.5*	*8.7*	*0.2*	*0.4*	*0.1*	*0.3*
4. Oil-seeds, fats and oils	4.3	3.3	4.0	3.2	0.3	0.1	1.8	0.3	0.4	0.5	0.1	0.1	—	—	—	—	—	0.1	0.3	0.3	—	0.2
5. Textile fibres, natural	3.1	2.4	3.1	2.4	—	—	2.7	0.1	0.9	0.1	0.8	—	—	—	0.1	—	—	—	—	0.1	—	—
6. Selected construction materials	1.8	4.1	1.6	3.9	0.2	0.2	2.1	1.5	2.9	1.1	0.7	0.5	—	0.1	0.4	0.4	0.1	0.1	1.7	—	0.3	0.1
7. Other raw materials	5.3	7.6	4.9	7.0	0.4	0.6	3.5	3.5	1.2	1.7	0.3	0.5	—	0.3	0.3	0.2	0.4	0.4	0.2	0.3	0.3	0.4
8. Metal manufactures	3.1	5.7	3.0	4.9	0.1	0.8	2.4	6.8	2.3	7.1	0.3	1.0	0.1	1.0	0.2	0.5	0.8	3.3	0,9	1.3	0.2	1.1
9. Power-generating (except electric) machinery	0.5	1.0	0.5	1.0	—	—	3.1	18.7	0.6	1.3	0.2	0.2	—	0.1	0.2	0.2	0.1	0.7	0.1	0.1	0.2	0.4
10. Agricultural machinery	—	—	—	—	—	—	0.3	0.4	0.2	0.1	0.1	—	—	—	—	0.1	0.1	—	—	—	0.1	—
11. Metal-working, mining, construction and other industrial machinery	18.6	14.7	17.2	12.6	1.4	2.1	24.1	30.6	6.5	10.5	1.7	2.2	2.0	2.4	0.4	1.0	1.5	3.9	0.9	1.0	2.2	2.9
12. Electric machinery	0.1	1.1	0.1	1.0	—	0.1	7.3	9.1	1.4	2.9	0.2	0.3	0.2	0.6	0.2	0.5	0.5	1.1	0.3	0.4	0.5	0.7
13. Tractors	—	—	—	—	—	—	3.8	1.0	2.0	0.2	0.4	—	—	0.1	0.1	—	0.6	—	0.9	0.1	1.1	0.2
14. Railway vehicles	—	—	—	—	—	—	—	—	1.5	9.0	—	—	—	0.2	—	—	1.4	8.8	0.1	—	—	—
15. Road motor vehicles	2.6	10.1	2.6	10.0	—	0.1	5.4	28.0	3.2	13.1	0.9	3.7	0.5	1.7	0.6	0.8	0.8	5.6	0.4	1.3	1.4	2.0
16. Other vehicles	0.1	8.8	0.1	8.8	—	—	6.6	10.1	0.4	0.4	0.3	0.1	—	0.1	0.1	0.1	—	0.1	—	—	—	0.3
17. Chemicals	9.4	13.6	9.2	12.9	0.2	0.7	3.5	8.3	7.4	13.5	4.5	2.5	—	0.8	0.4	0.9	2.1	8.2	0.4	1.1	0.9	1.1
18. Textile manufactures and clothing	22.2	52.6	20.2	46.1	2.0	6.5	10.8	16.2	72.4	74.3	28.6	23.6	9.2	14.0	2.2	2.8	27.6	23.0	4.8	10.9	7.2	14.0
of which :																						
Textile yarns (including synthetic fibres)	*1.1*	*0.7*	*0.8*	*0.6*	*0.3*	*0.1*	*2.7*	*4.8*	*27.5*	*20.9*	*9.2*	*1.8*	*0.5*	*2.0*	*0 5*	*0.6*	*17.0*	*14.7*	*0.3*	*1.8*	*0.4*	*0.7*
Cotton fabrics	*2.3*	*2.7*	*2.2*	*2.5*	*0.1*	*0.2*	*0.4*	*1.1*	*8.8*	*3.8*	*3.7*	*1.3*	*0.9*	*0.8*	*0.9*	*0.3*	*2.0*	*0.2*	*1.3*	*1.2*	*2.8*	*0.8*
Other fabrics	*13.2*	*35.8*	*11.9*	*30.5*	*1.3*	*5.3*	*5.1*	*7.7*	*32.3*	*41.0*	*14.6*	*19.2*	*7.4*	*10.2*	*0.5*	*1.5*	*7.3*	*4.0*	*2.5*	*6.1*	*3.6*	*11.7*
19. Paper, manufactures of wood and paper (excluding furniture)	1.3	3.0	1.2	2.8	0.1	0.2	0.6	1.2	3.7	3.2	0.9	1.2	0.2	0.1	0.5	0.4	1.3	1.4	0.8	0.1	0.6	0.5
20. All other commodities	19.5	34.0	18.5	31.3	1.0	2.7	5.1	9.6	8.1	10.8	3.0	3.8	0.5	1.5	1.0	1.2	1.1	2.2	2.5	2.1	0.9	3.5
TOTAL EXPORTS	130.6	211.9	122.1	191.2	8.5	20.7	93.2	164.7	155.5	189.6	65.4	54.5	13.9	24.9	9.7	15.2	51.0	73.0	15.5	22.0	23.0	54.2
BELGIUM-LUXEMBOURG																						
1. Food, drink and tobacco	1.1	3.1	0.8	2.9	—	0.2	0.3	0.8	2.2	6.9	1.1	4.4	—	0.1	0.2	0.8	0.7	1.5	0.2	0.1	9.4	18.4
2. Mineral fuels and petroleum products	—	—	—	—	—	—	0.3	—	1.5	0.5	0.3	0.2	—	0.1	0.1	—	0.4	0.2	0.7	—	0.5	2.0
3. Metallic ores and base metals	61.5	81.6	52.1	67.1	9.1	14.5	42.2	41.8	31.6	61.6	8.7	17.4	5.3	6.3	1.0	1.6	8.0	31.2	8.6	5.1	23.2	23.6
of which : Iron and steel	*35.0*	*54.5*	*27.3*	*41.9*	*7.6*	*12.6*	*36.7*	*37.0*	*28.2*	*57.8*	*8.0*	*16.0*	*5.3*	*6.2*	*0.9*	*1.6*	*5.9*	*28.9*	*8.1*	*5.1*	*20.6*	*21.5*
4. Oil-seeds, fats and oils	3.7	0.1	3.7	0.1	—	—	0.2	0.7	0.2	2.7	0.2	0.4	—	0.3	—	0.3	—	0.9	—	0.8	0.8	2.2
5. Textile fibres, natural	3.9	6.0	3.7	5.7	—	0.3	1.8	1.1	0.3	1.6	—	—	0.1	0.3	—	—	—	0.4	0.2	0.9	0.2	0.4
6. Selected construction materials	7.3	23.2	4.4	18.2	2.7	5.0	2.9	5.1	5.5	9.1	1.1	3.4	0.1	0.3	—	0.1	1.5	1.6	2.8	3.7	6.1	6.0
7. Other raw materials	4.2	3.3	3.8	3.1	0.2	0.2	0.3	0.3	0.4	0.6	—	0.1	—	—	0.1	0.1	0.3	0.3	—	0.1	0.4	0.4
8. Metal manufactures	10.4	16.9	9.5	14.8	0.8	2.1	13.3	9.9	8.4	8.1	2.5	2.2	1.1	1.8	0.1	0.4	2.8	3.1	1.9	0.6	18.6	11.6
9. Power-generating (except electric) machinery	—	0.1	—	0.1	—	—	0.4	0.1	—	0.2	—	—	—	—	—	—	—	0.2	—	—	2.5	2.2
10. Agricultural machinery	—	—	—	—	—	—	—	0.2	—	0.1	—	—	—	0.1	—	—	—	—	—	—	—	0.1
11. Metal-working, mining, construction and other industrial machinery	4.0	4.3	3.3	3.9	0.6	0.4	4.1	3.8	2.4	2.6	0.4	0.5	0.6	0.6	—	—	1.2	1.3	0.2	0.2	14.7	10.3
12. Electric machinery	1.3	1.3	1.1	1.1	0.1	0.2	9.3	6.7	1.2	5.2	—	0.2	0.4	0.4	0.5	—	0.1	2.9	0.2	1.7	14.4	17.3
13. Tractors	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	0.2
14. Railway vehicles	0.5	—	0.5	—	—	—	2.7	3.3	6.7	14.3	0.5	0.2	—	3.6	1.9	0.3	3.1	10.2	1.2	—	12.2	7.1
15. Road motor vehicles	—	0.3	—	0.2	—	0.1	0.2	0.5	1.5	1.5	0.3	1.1	—	0.2	—	—	—	0.2	1.2	—	7.7	2.4
16. Other vehicles	0.8	0.3	0.8	0.3	—	—	3.2	0.7	0.3	1.4	0.1	0.1	—	—	0.1	—	0.1	1.3	—	—	7.6	4.4
17. Chemicals	10.5	11.9	9.3	10.9	1.0	1.0	5.8	9.0	15.9	22.5	5.1	9.1	0.5	1.3	0.4	0.8	6.8	8.7	3.1	2.6	7.4	9.5
18. Textile manufactures and clothing	26.8	54.0	22.6	43.9	4.0	10.1	9.2	5.0	15.7	21.8	2.7	2.2	5.4	8.2	0.4	0.2	3.9	4.5	3.3	6.7	11.9	19.9
19. Paper, manufactures of wood and paper (excluding furniture)	0.2	1.0	0.1	1.0	—	—	0.2	0.3	0.7	1.2	0.3	0.6	—	0.1	0.1	—	0.1	0.2	0.2	0.3	2.0	2.8
20. All other commodities	25.6	95.3	22.6	87.7	2.6	7.6	3.5	5.8	5.9	19.9	4.3	13.0	—	0.6	0.2	0.1	1.1	4.6	0.3	1.6	9.6	16.0
TOTAL EXPORTS	161.8	302.7	138.3	261.0	21.1	41.7	99.9	95.1	100.4	181.8	27.6	55.1	13.5	24.3	5.1	4.7	30.1	73.3	24.1	24.4	149.2	156.8

---

[a] Excluding the sterling area.

[b] Including unallocated exports.

[c] Excluding ships' stores.

(continued)

main commodity groups and by area of destination

50 prices, f.o.b.

Other overseas countries		of which :								Total overseas countries [b]		of which :		Western Europe		Eastern Europe		Total World		of which :						Group
		In Africa		Japan		China		Other in Asia				Dollar Area								Highly industrialized countries		Semi-industrialized countries		Non-industrialized countries [b]		
1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	
4.3	9.6	0.7	3.1	2.7	1.1	—	—	0.9	5.4	22.8	43.8[c]	10.7	19.9	54.2	112.4	0.7	28.1	77.7	187.6[d]	67.7	159.7	3.0	3.0	7.0	21.6[c]	1.
0.4	0.8	0.1	0.1	—	—	—	—	0.3	0.7	3.9[e]	5.1[e]	2.3	3.3	332.2	352.4	—	0.7	342.2[f]	390.4[f]	334.5	356.1	0.1	0.8	1.5[c]	1.3[c]	2.
11.9	43.7	2.4	3.4	0.7	6.8	0.5	1.0	8.3	32.5	90.3	187.9	38.6	86.5	216.2	341.2	6.7	54.4	313.2	583.5	256.5	452.9	27.8	25.3	28.9	105.3	3.
8.7	*36.2*	*1.7*	*3.0*	*0.7*	*4.9*	*0.1*	*0.9*	*6.0*	*27.4*	*72.3*	*147.7*	*29.7*	*63.9*	*142 4*	*235.5*	*6.6*	*37.7*	*221.3*	*420.9*	*174.3*	*309.2*	*24.2*	*19.9*	*22.7*	*91.8*	
0.7	2.0	0.5	0.5	—	—	—	—	0.2	1.5	1.7	5.1	0.8	0.9	5.0	19.6	0.2	0.6	6.9	25.3	6.0	20.6	—	0.1	0.9	4.6	4.
0.1	0.5	0.1	—	—	0.4	—	—	—	0.1	3.1	3.0	3.0	2.3	10.9	32.8	0.1	1.2	14.1	37.0	14.0	36.7	—	0.2	0.1	0.1	5.
4.1	7.0	0.8	0.8	—	0.2	—	—	3.3	6.0	34.6	36.1	6.5	17.8	27.4	57.7	0.4	0.4	62.4	94.2	31.8	70.3	17.7	2.8	12.9	21.1	6.
0.3	0.9	0.1	0.1	0.1	0.3	—	—	0.1	0.5	6.6	9.6	5.4	6.7	32.0	67.5	0.7	1.1	39.3	78.2	38.0	75.1	0.4	0.9	0.9	2.2	7.
17.0	22.9	3.5	3.3	0.3	0.5	0.1	0.1	13.1	19.0	93.7	125.4	29.2	58.4	99.8	140.1	1.0	2.7	194.5	268.2	112.0	174.4	28.3	17.3	54.2	76.5	8.
4.8	13.6	1.5	4.3	—	0.2	—	0.1	3.3	9.0	27.4	39.7	2.6	6.4	54.4	68.9	1.4	1.6	83.2	110.2	56.3	72.6	12.8	9.2	14.1	28.4	9.
0.2	0.5	—	0.1	—	—	—	0.1	0.2	0.3	3.3	4.7	0.3	1.0	18.9	29.2	0.2	0.4	22.4	34.3	19.3	30.2	2.1	2.2	1.0	1.9	10.
23.0	70.3	6.9	17.7	4.6	9.9	—	0.8	11.5	41.9	167.4	281.5	44.1	95.3	400.2	565.9	7.4	12.0	575.0	859.4	443.7	645.2	71.7	55.4	59.6	158.8	11.
15.1	40.8	4.3	7.1	—	1.0	—	1.0	10.8	31.7	58.9	153.9	9.8	42.0	132.1	285.1	4.0	5.9	195.0	444.9	138.8	308.9	21.2	34.0	35.0	102.0	12.
1.3	2.2	0.5	0.1	—	0.1	—	1.4	0.8	0.6	15.9	22.9	0.4	1.0	27.9	38.2	0.2	0.3	44.0	61.4	28.3	38.8	12.0	17.2	3.7	5.4	13.
4.6	4.2	0.9	0.6	0.3	0.1	—	—	3.4	3.5	19.4	24.2	0.4	2.4	15.7	17.0	—	0.3	35.1	41.5	16.0	17.8	5.3	3.8	13.8	19.9	14.
5.1	24.9	1.8	6.4	0.5	1.0	—	1.0	2.8	16.5	37.7	191.6	4.5	78.5	97.5	276.1	1.1	0.9	136.3	468.6	101.5	341.3	21.7	41.1	13.1	86.2	15.
1.7	17.6	0.1	6.4	—	—	—	—	1.6	11.2	20.3	53.5	13.7	28.2	35.4	104.4	—	23.1	55.7	181.0	36.3	136.0	1.9	1.5	17.5	43.5	16.
31.5	100.6	8.9	9.7	6.0	27.4	4.8	27.5	11.8	36.0	110.4	320.0	32.2	100.1	207.1	509.3	8.0	27.0	325.5	856.3	244.0	612.6	19.0	62.8	62.5	180.9	17.
8.0	20.4	2.7	2.1	—	0.3	—	0.7	5.3	17.3	63.6	125.7	19.4	38.3	136.9	244.9	3.1	6.3	203.6	376.9	156.7	282.4	11.9	26.2	35.0	68.3	18.
1.3	*7.7*	*0.1*	*0.9*	—	*0.2*	—	*0.7*	*1.2*	*5.9*	*12.0*	*39.6*	*7.4*	*12.2*	*23.0*	*60.0*	*2.7*	*5.4*	*37.7*	*105.0*	*31.7*	*75.0*	*1.4*	*7.8*	*4.6*	*22.2*	
3.5	*1.2*	*1.9*	*0.1*	—	—	—	—	*1.6*	*1.1*	*20.2*	*18.4*	*0.7*	*3.6*	*50.7*	*46.0*	—	*0.2*	*70.9*	*64.6*	*51.7*	*49.4*	*3.0*	*5.9*	*16.4*	*9.3*	
3.0	*10.2*	*0.6*	*0.7*	—	*0.1*	—	—	*2.4*	*9.4*	*29.4*	*54.7*	*9.8*	*15.1*	*53.6*	*92.8*	*0.2*	*0.5*	*83.2*	*148.0*	*62.5*	*105.5*	*7.4*	*10.9*	*13.5*	*31.6*	
0.7	2.5	0.1	0.3	—	0.3	—	0.2	0.6	1.7	4.4	22.2	1.1	11.2	9.3	42.6	0.2	0.9	13.9	65.7	10.4	52.1	1.5	5.8	2.0	7.8	19.
16.0	38.8	3.2	7.1	1.4	5.3	0.3	2.5	11.1	23.9	139.7	280.9[c]	79.6	145.1	186.1	428.0	3.4	5.7	329.2	718.0[d]	253.8	547.7	24.0	41.3	51.4	125.6[c]	20.
6.6	*14.8*	*1.0*	*2.9*	*0.7*	*3.7*	*0.3*	*1.7*	*4.6*	*6.5*	*56.2*	*99.4*	*33.0*	*51.2*	*49.2*	*95.5*	*2.3*	*2.2*	*107.7*	*197.1*	*79.0*	*142.3*	*8.8*	*14.6*	*19.9*	*40.2*	
150.8	423.8	39.1	73.2	16.6	54.9	5.7	36.4	89.4	259.3	925.1	1 936.8	304.6	745.3	2 099.2	3 733.3	38.8	173.6	3 069.2	5 882.6	2 365.6	4 431.4	282.4	350.9	415.1	1 061.4	Total exports
26.0	28.6	4.3	6.5	15.3	4.5	—	—	6.4	17.6	72.1[c]	94.0[c]	30.0	43.9	200.6	302.6	10.4	15.0	287.1[d]	415.1[d]	252.9	360.1	3.9	3.5	26.3[c]	48.0[c]	1.
21.4	*23.6*	*0.7*	*3.8*	*15.3*	*4.4*	—	—	*5.4*	*15.4*	*25.8*[c]	*32.7*[c]	*0.6*	*1.0*	*31.7*	*24.7*	*1.1*	*3.0*	*58.7*[d]	*60.5*[d]	*48.6*	*33.0*	—	*1.3*	*10.0*[c]	*26.1*[c]	
1.8	*1.2*	*1.6*	*0.8*	—	—	—	—	*0.2*	*0.4*	*10.6*[c]	*10.9*[c]	*4.9*	*5.8*	*97.2*	*160.5*	*9.1*	*9.6*	*117.0*[d]	*181.3*[d]	*110.9*	*175.4*	*1.1*	*0.7*	*4.9*[c]	*4.9*[c]	
0.9	*1.9*	*0.5*	*0.6*	—	—	—	—	*0.4*	*1.3*	*12.5*[c]	*18.3*[c]	*7.0*	*10.6*	*36.9*	*64.0*	*0.1*	*0.7*	*50.1*[d]	*83.2*[d]	*43.5*	*74.6*	*1.3*	*0.9*	*4.7*[c]	*7.5*[c]	
9.1	8.4	5.7	3.6	—	—	—	—	3.4	4.8	43.6[e]	39.4[e]	3.6	1.5	30.7	103.1	1.7	—	80.3[f]	163.9[f]	35.9	104.6	1.4	0.2	38.7[e]	37.7[e]	2.
5.2	10.2	1.7	2.8	—	0.1	—	0.4	3.5	6.9	23.0	50.5	9.7	18.2	17.9	36.1	3.1	7.6	44.0	94.2	29.6	54.2	2.4	7.1	12.0	32.9	3.
3.5	*8.5*	*1.5*	*2.6*	—	*0.1*	—	*0.4*	*2.0*	*5.4*	*15.0*	*41.4*	*6.2*	*13.8*	*9.0*	*23.6*	*1.1*	*6.7*	*25.1*	*71.7*	*15.6*	*36.9*	*0.9*	*6.1*	*8.6*	*28.7*	
0.4	0.4	0.3	0.3	—	—	—	—	0.1	0.1	7.0	4.7	4.8	3.5	2.3	1.9	—	—	9.3	6.6	6.6	5.2	1.6	0.4	1.1	1.0	4.
0.2	0.1	—	—	—	0.1	—	—	0.2	—	6.9	2.7	4.2	2.4	17.8	15.4	0.8	1.1	25.5	19.2	21.7	19.0	1.6	0.1	2.2	0.1	5.
1.1	0.8	0.4	0.3	—	—	—	—	0.7	0.5	8.2	7.6	3.2	5.4	4.0	3.6	0.1	—	12.3	11.2	5.9	7.7	2.4	0.3	4.0	3.2	6.
1.7	2.9	1.2	1.0	0.1	0.3	—	—	0.4	1.6	12.2	16.2	8.0	10.4	27.2	40.7	1.2	2.5	40.6	59.4	33.8	51.1	1.1	1.5	5.7	6.8	7.
2.3	8.5	1.2	2.1	—	—	—	—	1.1	6.4	10.4	29.4	4.5	9.6	8.5	9.9	0.5	0.5	19.4	39.8	12.1	16.1	2.0	5.2	5.3	18.5	8.
1.2	1.9	0.8	0.9	—	—	—	—	0.4	1.0	6.5	23.3	0.5	2.5	9.7	14.2	4.9	0.5	21.1	38.0	15.1	15.7	3.2	17.4	2.8	4.9	9.
0.2	0.1	0.1	0.1	—	—	—	—	0.1	—	0.8	0.6	0.1	0.2	0.9	0.6	—	—	1.7	1.2	0.9	0.6	0.2	0.2	0.6	0.4	10.
5.8	13.6	3.0	4.1	0.2	1.3	—	0.1	2.6	8.1	57.4	72.4	23.9	31.2	62.4	64.7	8.8	1.6	128.6	138.7	90.0	82.3	21.7	17.8	16.9	38.6	11.
2.4	3.2	1.4	1.7	—	—	—	—	1.0	1.5	11.8	17.2	1.9	5.9	20.2	17.5	2.1	0.6	34.1	35.3	22.4	19.2	5.9	5.3	5.8	10.8	12.
0.5	0.5	0.2	0.1	—	—	—	—	0.3	0.4	7.4	1.9	—	0.2	6.2	6.4	1.1	—	14.7	8.3	7.3	6.4	4.7	1.0	2.7	0.9	13.
0.9	0.1	—	0.1	—	—	—	—	0.9	—	2.4	9.1	—	—	10.1	0.5	—	—	12.5	9.6	10.1	0.5	0.1	0.2	2.3	8.9	14.
4.7	10.0	2.6	2.8	—	0.1	—	—	2.1	7.1	17.3	63.2	3.9	18.8	38.2	67.5	1.1	0.8	56.6	131.5	41.9	78.5	5.0	22.7	9.7	30.3	15.
0.8	4.6	0.2	0.2	—	—	—	—	0.6	4.4	8.0	24.2	5.3	18.0	11.5	10.3	2.4	0.1	21.9	34.6	14.0	19.2	1.3	1.0	6.6	14.4	16.
9.0	18.2	3.2	5.4	—	1.7	0.8	5.2	5.0	5.9	30.5	55.0	10.4	17.8	26.2	51.5	1.8	5.2	58.5	111.7	37.4	72.0	2.8	6.1	18.3	33.6	17.
26.5	40.5	12.0	8.8	—	0.3	1.8	2.4	12.7	29.0	140.3	198.1	29.4	65.0	119.3	219.6	11.1	30.6	270.7	448.3	152.6	303.1	17.8	28.9	100.3	116.3	18.
8.1	*19.3*	*2.1*	*3.0*	—	—	*1.6*	*1.5*	*4.4*	*14.8*	*39.8*	*46.4*	*1.9*	*4.0*	*24.2*	*33.5*	*5.0*	*11.1*	*69.0*	*91.0*	*30.3*	*45.3*	*2.8*	*5.4*	*35.9*	*40.3*	
4.7	*2.7*	*3.0*	*0.9*	—	*0.1*	—	—	*1.7*	*1.7*	*19.0*	*11.2*	*2.5*	*3.5*	*23.4*	*13.3*	—	*0.1*	*42.4*	*24.6*	*25.7*	*16.2*	*2.4*	*2.3*	*14.3*	*6.1*	
12.3	*14.1*	*6.4*	*4.3*	—	*0.2*	*0.2*	—	*5.7*	*9.6*	*67.7*	*110.6*	*17.3*	*42.2*	*53.0*	*145.1*	*4.2*	*1.7*	*124.9*	*257.4*	*70.4*	*182.8*	*11.0*	*17.7*	*43.5*	*56.9*	
3.7	3.8	1.9	1.5	—	—	—	0.2	1.8	2.1	10.0	11.7	1.3	3.5	7.9	8.0	0.3	0.8	18.2	20.5	9.5	11.8	1.5	0.9	7.2	7.8	19.
5.7	9.0	3.2	2.8	—	0.5	—	0.2	2.5	5.5	40.0	67.3	21.9	41.4	32.5	93.1	0.5	1.3	73.0	161.7	52.5	128.9	5.8	6.1	14.7	26.7	20.
107.4	165.4	43.4	45.1	15.6	8.9	2.6	8.5	45.8	102.9	515.8	788.5	166.6	299.4	654.1	1 067.2	51.9	68.2	1 230.1	1 948.8	852.2	1 356.2	86.4	125.9	283.2	441.8	Total exports
2.1	3.2	0.8	0.4	0.1	—	—	—	1.2	2.8	17.2	32.7	1.1	4.0	61.1	99.3	0.4	0.4	78.7	132.4	62.7	102.8	0.5	0.2	15.5	29.4	1.
0.5	0.2	0.4	0.1	—	—	—	—	0.1	0.1	2.8[e]	2.7[e]	—	—	84 7	144.5	—	—	96.6[f]	169.1[f]	84.7	144.5	1.0	0.1	1.8[e]	2.6[e]	2.
18.1	32.0	5.0	4.2	0.6	4.7	—	0.4	12.5	22.7	176.6	240.6	79.6	110.6	371.8	456.4	14.3	21.1	562.7	718.1	448.2	563.8	39.1	27.6	75.4	126.7	3.
15.4	*28.1*	*4.5*	*3.5*	*0.1*	*3.0*	—	*0.3*	*10.8*	*21.3*	*136.0*	*198.9*	*52.4*	*82.1*	*237.4*	*295.7*	*14.2*	*17.0*	*387.6*	*511.6*	*286.7*	*370.2*	*34.0*	*24.0*	*66.9*	*117.4*	
1.2	0.4	0.2	0.1	—	—	—	—	1.0	0.3	6.2	6.2	3.7	0.8	32.8	24.1	1.0	2.2	40.0	32.5	37.5	26.4	0.2	1.2	2.3	4.9	4.
2.7	6.6	—	—	2.6	3.9	—	2.3	0.1	0.4	9.0	15.7	4.1	6.7	88.9	122.3	6.1	14.8	104.0	152.8	101.5	147.0	1.9	1.5	0.6	4.3	5.
3.6	4.9	0.7	0.8	—	0.2	—	—	2.9	3.9	25.4	48.3	9.1	26.1	26.6	47.8	0.1	—	52.1	96.1	34.0	71.2	4.1	4.7	14.0	20.2	6.
0.3	0.4	—	0.1	—	0.2	—	—	0.3	0.1	5.8	5.1	4.1	3.6	29.8	41.1	—	0.8	35.6	47.0	34.0	45.4	0.3	0.2	1.3	1.4	7.
7.0	8.8	1.1	1.9	0.1	0.2	—	—	5.8	6.7	66.3	55.3	17.6	23.0	31.3	27.1	1.2	1.5	98.8	83.9	43.0	45.7	9.2	6.6	46.6	31.6	8.
0.2	0.2	—	—	—	—	—	—	0.2	0.2	3.2	2.8	0.1	0.1	5.5	9.3	0.3	3.1	9.0	15.2	5.8	12.5	0.4	0.1	2.8	2.6	9.
—	—	—	—	—	—	—	—	—	—	0.2	0.4	—	—	1.9	4.7	—	—	2.1	5.1	1.9	4.7	—	0.3	0.2	0.1	10.
1.8	1.5	0.4	0.3	—	—	—	0.3	1.4	0.9	27.1	22.5	4.5	7.1	38.4	52.9	0.6	1.5	66.1	76.9	43.0	58.7	4.4	1.8	18.7	16.4	11.
4.7	4.8	2.3	1.8	—	0.2	0.3	1.1	2.1	1.7	30.9	35.3	4.8	4.8	34.8	54.0	1.3	1.1	67.0	90.4	37.4	56.6	6.5	5.3	23.1	28.5	12.
—	—	—	—	—	—	—	—	—	—	—	0.2	—	—	0.1	0.1	—	—	0.1	0.3	0.1	0.1	—	—	—	0.2	13.
6.4	0.6	2.6	0.3	—	—	—	—	3.8	0.3	28.6	25.3	2.6	3.1	5.9	8.4	—	0.2	34.5	33.9	6.4	8.6	2.1	4.0	26.0	21.3	14.
0.4	0.5	0.1	0.2	—	—	—	—	0.3	0.3	9.8	5.2	0.1	0.5	13.3	49.2	0.2	0.3	23.3	54.7	13.5	49.8	1.4	0.4	8.4	4.5	15.
3.3	9.5	3.2	9.5	—	—	—	—	0.1	—	15.5	16.3	0.9	10.1	18.6	15.0	4.2	5.4	38.3	36.7	23.6	20.7	3.2	—	11.5	16.0	16.
10.7	32.6	1.4	3.1	1.9	9.2	2.3	15.7	5.1	4.6	50.6	85.6	13.9	16.5	78.5	118.6	7.0	6.2	136.1	210.4	97.9	145.9	5.6	8.5	32.6	56.0	17.
8.2	9.4	2.8	0.9	—	—	0.1	1.1	5.3	7.4	72.1	110.1	29.4	57.9	173.0	300.6	5.2	3.9	250.3	414.6	205.0	358.5	15.2	16.0	30.1	40.1	18.
0.5	0.7	0.1	0.1	—	—	—	0.1	0.4	0.5	3.8	6.1	0.3	1.3	10.3	24.7	0.1	1.0	14.2	31.8	10.6	26.7	0.4	0.5	3.2	4.6	19.
3.0	6.9	0.6	0.9	0.2	0.5	—	1.2	2.2	4.3	47.7	143.9	27.2	97.9	67.8	145.8	1.7	2.9	117.2	292.6	95.3	244.5	2.3	3.8	19.6	44.3	20.
74.7	123.2	21.7	24.7	5.5	19.1	2.7	22.2	44.8	57.2	598.8	860.3	203.1	374.1	1 175.1	1 745.9	43.7	66.4	1 826.7	2 694.5	1 386.1	2 134.1	97.8	82.8	333.7	455.7	Total exports

---

[d] Including ships' stores.

[e] Excluding bunkers.

[f] Including bunkers.

TABLE

Exports of selected European countries and the United States

Millions of dollars at

Area of destination and period / Exporting country and commodity group	North America		of which:				Latin America		Overseas Sterling Area		of which:										Affiliated overseas territories[a]	
			United States		Canada						British overseas territories		Union of South Africa		Other in Africa		Other in Asia		Other in Oceania			
	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956
NETHERLANDS																						
1. Food, drink and tobacco	31.0	48.7	29.2	44.3	1.8	4.4	21.8	19.9	48.0	65.0	33.7	46.8	0.3	1.5	0.5	1.5	12.0	12.4	1.5	2.8	27.2	34.9
of which: Live animals and meat	*15.0*	*25.1*	*15.0*	*25.0*	—	*0.1*	*2.0*	*2.0*	*1.2*	*3.3*	*1.1*	*2.9*	—	*0.2*	—	*0.1*	—	*0.1*	—	—	*2.0*	*3.5*
Dairy products	*4.3*	*2.2*	*3.9*	*1.7*	*0.3*	*0.5*	*14.2*	*12.0*	*22.5*	*31.0*	*15.9*	*22.8*	—	*0.1*	*0.2*	*0.9*	*6.4*	*7.2*	—	—	*12.9*	*16.7*
Fruit and vegetables	*2.6*	*3.5*	*1.9*	*2.4*	*0.6*	*0.1*	*3.4*	*1.0*	*3.7*	*3.3*	*2.9*	*2.3*	—	*0.1*	—	*0.1*	*0.7*	*0.4*	*0.1*	*0.4*	*1.9*	*2.4*
2. Mineral fuels and petroleum products	0.2	0.3	0.1	0.3	—	—	0.8	2.3	9.6	9.2	4.8	5.5	0.8	0.7	—	0.3	3.5	2.3	0.5	0.4	3.4	10.9
3. Metallic ores and base metals	35.7	14.1	35.4	13.3	0.1	0.8	4.2	5.5	4.7	5.7	0.7	1.6	1.1	1.0	—	—	2.0	2.0	0.9	1.1	0.9	2.4
4. Oil-seeds, fats and oils	2.0	1.3	1.8	1.0	—	0.3	0.3	1.3	1.4	2.6	1.1	1.7	—	—	—	0.3	0.2	0.3	0.1	0.3	0.9	2.7
5. Textile fibres, natural	1.5	5.0	1.1	4.9	0.2	0.1	1.3	1.4	—	0.2	—	0.1	—	—	—	—	—	—	—	0.1	0.2	0.2
6. Selected construction materials	0.2	0.7	—	0.5	—	0.2	0.4	0.8	2.3	1.1	1.0	0.5	—	0.1	0.1	—	0.4	0.4	0.8	0.1	1.5	0.9
7. Other raw materials	12.1	11.5	10.3	9.7	1.6	1.8	0.7	1.0	0.7	0.8	0.2	0.1	0.1	0.4	—	—	0.1	0.1	0.3	0.2	0.2	0.4
8. Metal manufactures[e]	1.8	6.4	1.6	5.6	0.2	0.8	3.8	3.9	4.0	3.9	2.0	2.2	0.5	0.5	—	0.1	0.4	0.8	1.1	0.3	3.0	4.0
9. Power-generating (except electric) machinery	0.6	0.9	0.5	0.7	—	0.2	1.4	1.3	0.6	1.8	0.3	0.3	—	0.1	—	—	0.3	1.3	—	0.1	0.4	1.6
10. Agricultural machinery	—	—	—	—	—	—	—	—	—	0.2	—	—	—	0.1	—	—	—	—	—	0.1	—	—
11. Metal-working, mining, construction and other industrial machinery	1.2	4.2	1.0	3.4	0.1	0.8	4.2	7.1	2.2	9.2	1.0	2.6	0.4	1.2	—	0.1	0.4	3.5	0.4	1.8	3.3	6.8
12. Electric machinery	1.8	8.0	1.3	6.3	0.5	1.7	10.9	15.4	8.2	17.7	3.2	6.8	0.6	2.2	0.1	0.7	2.7	4.9	1.6	3.1	3.5	5.2
13. Tractors	—	—	—	—	—	—	—	0.1	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14. Railway vehicles	—	—	—	—	—	—	4.4	5.0	1.5	0.1	—	0.1	0.6	—	—	—	0.9	—	—	—	—	—
15. Road motor vehicles	—	0.2	—	0.2	—	—	0.1	1.0	0.1	0.6	0.1	0.2	—	—	—	—	—	0.2	—	0.2	0.9	1.2
16. Other vehicles	1.8	11.7	1.7	11.5	—	0.2	9.6	3.8	1.9	2.1	1.3	0.6	—	—	0.1	0.1	0.2	0.9	0.3	0.5	2.5	2.9
17. Chemicals	11.2	15.1	10.4	13.5	0.8	1.6	9.1	12.7	16.1	22.8	6.0	7.1	2.2	2.6	0.7	2.6	6.0	7.4	1.2	3.1	2.9	3.7
18. Textile manufactures and clothing[e]	7.4	9.9	5.4	8.0	1.9	1.9	3.7	5.6	38.8	32.2	19.5	5.2	7.1	11.8	0.2	0.3	5.4	6.5	6.6	8.4	11.7	13.6
19. Paper, manufactures of wood and paper (excluding furniture)	0.3	1.0	0.2	0.9	—	0.1	1.3	1.3	4.3	4.4	1.6	1.7	0.3	0.4	—	—	1.3	1.3	1.1	1.0	1.2	1.4
20. All other commodities[e]	3.4	40.4	2.5	36.7	0.4	3.7	2.5	3.2	2.8	24.6	1.4	19.0	0.1	1.6	0.4	0.3	0.5	2.3	0.4	1.4	4.2	6.5
TOTAL EXPORTS	112.2	179.4	102.5	160.8	7.6	18.6	80.5	92.6	147.2	204.2	77.9	102.1	14.1	24.2	2.1	6.3	36.3	46.6	16.8	25.0	67.9	99.3
DENMARK																						
1. Food, drink and tobacco	21.7	37.8	21.3	36.7	0.4	1.1	11.9	13.8	9.1	14.6	7.5	10.2	—	0.2	0.1	0.3	1.4	3.4	0.1	0.5	7.5	8.1
of which: Live animals and meat	*7.1*	*17.5*	*7.1*	*17.3*	—	*0.2*	*1.1*	*2.9*	*1.8*	*3.1*	*1.7*	*2.7*	—	—	—	*0.1*	*0.1*	*0.3*	—	—	*0.8*	*1.4*
Dairy products	*9.9*	*13.1*	*9.6*	*13.0*	*0.3*	*0.1*	*6.6*	*7.2*	*5.0*	*7.3*	*3.9*	*4.3*	—	—	—	*0.1*	*1.1*	*2.8*	—	*0.1*	*5.8*	*5.6*
Cereals and cereal preparations	*0.1*	*0.1*	*0 1*	*0.1*	—	—	*2.0*	*1.5*	*0.3*	*1.1*	*0.3*	*1.0*	—	—	—	—	—	*0.1*	—	—	*0.1*	*0.3*
2. Mineral fuels and petroleum products	—	—	—	—	—	—	—	0.1	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Metallic ores and base metals	0.5	9.0	0.5	9.0	—	—	0.7	0.7	0.1	0.1	0.1	—	—	—	—	—	—	0.1	—	—	—	—
4. Oil-seeds, fats and oils	0.2	0.9	0.2	0.9	—	—	—	0.5	0.1	1.2	—	1.1	—	—	—	0.1	0.1	—	—	—	0.1	1.6
5. Textile fibres, natural	0.1	0.3	0.1	0.3	—	—	—	0.9	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6. Selected construction materials	0.1	1.3	0.1	1.0	—	0.3	2.2	1.2	0.5	1.0	0.3	0.5	—	0.1	0.1	—	0.1	0.3	—	0.1	0.9	0.3
7. Other raw materials	7.3	11.7	6.6	10.3	0.7	1.4	0.9	0.6	0.2	0.5	—	0.1	—	—	—	—	0.1	0.2	0.1	0.2	—	—
8. Metal manufactures	2.7	1.1	2.7	1.0	—	0.1	0.4	0.7	0.3	0.5	0.2	0.2	—	0.1	—	—	0.1	0.1	—	0.1	—	0.3
9. Power-generating (except electric) machinery	0.1	0.1	0.1	—	—	0.1	1.8	2.1	0.2	0.6	0.1	0.1	—	0.1	—	—	0.1	0.4	—	—	0.1	0.2
10. Agricultural machinery	—	—	—	—	—	—	0.3	0.2	0.2	0.2	—	0.1	—	—	—	—	0.2	0.1	—	—	0.1	0.1
11. Metal-working, mining, construction and other industrial machinery	0.8	3.1	0.6	2.2	0.2	0.9	6.5	8.4	2.1	4.0	0.3	0.4	0.5	0.6	—	0.1	0.7	2.5	0.6	0.4	0.2	0.8
12. Electric machinery	0.3	0.8	0.2	0.7	0.1	0.1	2.5	3.2	0.5	1.6	—	0.2	—	0.2	0.1	—	0.1	0.8	0.3	0.4	0.3	0.7
13. Tractors	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14. Railway vehicles	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15. Road motor vehicles	—	0.2	—	0.2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16. Other vehicles	0.1	0.6	0.1	0.4	—	0.2	1.3	1.8	0.1	—	—	—	—	—	—	—	—	—	0.1	—	—	—
17. Chemicals	0.3	2.1	0.3	2.0	—	0.1	1.8	5.1	1.7	2.8	1.2	0.7	—	0.4	—	0.1	0.4	1.3	0.1	0.3	0.1	0.2
18. Textile manufactures and clothing	0.5	3.6	0.5	2.8	—	0.8	1.5	1.8	0.1	0.3	0.1	0.1	—	—	—	—	—	0.2	—	—	—	—
19. Paper, manufactures of wood and paper (excluding furniture)	0.3	0.7	0.2	0.5	0.1	0.2	0.1	0.2	0.4	0.4	0.4	0.4	—	—	—	—	—	—	—	—	—	0.1
20. All other commodities	1.7	7.3	1.6	6.5	0.1	0.8	0.6	1.0	0.4	0.9	0.3	0.4	—	0.2	—	—	—	0.2	0.1	0.1	0.2	0.3
TOTAL EXPORTS	36.7	80.6	35.1	74.5	1.6	6.1	32.5	42.3	16.0	28.7	10.5	14.5	0.5	1.9	0.3	0.6	3.3	9.6	1.4	2.1	9.5	12.7
NORWAY																						
1. Food, drink and tobacco	13.7	11.4	13.0	10.4	0.7	1.0	21.6	13.5	8.1	14.3	6.1	11.3	1.1	1.2	0.1	0.1	0.1	0.1	0.7	1.6	1.8	2.7
2. Mineral fuels and petroleum products	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Metallic ores and base metals	12.6	20.8	11.7	20.0	0.9	0.8	0.1	0.7	1.5	3.1	0.1	0.1	0.2	0.3	—	—	0.3	1.4	0.9	1.3	—	0.1
of which: Ores and scrap	*0.2*	*0.5*	*0.2*	*0.5*	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Iron and steel	*6.8*	*3.5*	*6.2*	*2.8*	*0.6*	*0.7*	*0.1*	*0.4*	*0.2*	*1.5*	—	*0.1*	—	—	—	—	—	*0.5*	*0.2*	*0.9*	—	*0.1*
4. Oil-seeds, fats and oils	1.0	1.3	1.0	1.2	—	0.1	0.4	0.5	0.4	0.6	0.2	0.4	—	—	—	—	0.2	0.1	—	0.1	0.1	0.5
5. Textile fibres, natural	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6. Selected construction materials	0.1	0.2	0.1	0.1	—	0.1	—	—	0.1	0.1	—	—	—	—	—	—	—	—	0.1	0.1	0.2	—
7. Other raw materials	1.9	2.9	1.6	2.9	0.3	—	0.6	1.4	0.7	1.3	—	0.1	0.1	0.1	—	—	0.1	0.1	0.5	1.0	—	0.1
8. Metal manufactures	0.2	1.2	0.1	1.1	0.1	0.1	0.1	0.4	0.2	0.3	—	—	—	0.1	—	—	0.1	0.2	0.1	—	—	—
9-13. Machinery	0.4	0.5	0.2	0.4	0.2	0.1	0.1	0.7	0.2	1.0	—	0.2	—	0.1	0.1	—	—	0.5	0.1	0.2	—	0.2
14. Railway vehicles	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15. Road motor vehicles	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16. Other vehicles	0.4	1.1	0.3	1.1	0.1	—	7.1	5.3	1.2	3.8	0.8	2.5	—	—	—	—	0.3	1.3	0.1	—	0.1	0.1
17. Chemicals	1.7	3.2	1.6	3.2	0.1	—	0.2	1.7	0.9	1.1	0.1	0.2	—	0.1	0.1	0.1	0.3	0.3	0.4	0.4	—	—
18. Textile manufactures and clothing	3.0	1.0	2.9	0.9	0.1	0.1	0.5	0.6	0.4	0.8	—	0.1	—	0.2	—	—	0.4	0.3	—	0.2	—	—
19. Paper, manufactures of wood and paper (excluding furniture)	0.5	2.0	0.5	2.0	—	—	4.3	5.7	12.5	12.4	1.3	2.6	2.6	2.6	0.1	0.1	3.2	3.3	5.3	3.8	0.6	1.0
20. All other commodities	1.0	2.6	0.9	2.4	0.1	0.2	0.3	0.4	0.6	0.4	0.2	0.2	—	—	0.1	—	0.2	0.1	0.1	0.1	0.1	0.2
TOTAL EXPORTS	36.5	48.2	33.9	45.7	2.6	2.5	35.3	30.9	26.8	39.2	8.8	17.7	4.0	4.7	0.5	0.3	5.2	7.7	8.3	8.8	2.9	4.9

---

[a] Excluding the sterling area. [b] Including unallocated exports. [c] Excluding bunkers. [d] Including bunkers. [e] Data for 1956 for groups 8, 18 and 20 (Netherlands) are not fully comparable with those for 1952. For further details

XI *(continued)*

by main commodity groups and by area of destination

1950 prices, f.o.b.

Other overseas countries		of which : In Africa		Japan		China		Other in Asia		Total overseas countries[b]		of which : Dollar area		Western Europe		Eastern Europe		Total World		of which : Highly industrialized countries		Semi-industrialized countries		Non-industrialized countries[b]		Grou
1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	
40.6	48.1	10.6	5.8	1.6	4.3	—	—	28.4	38.0	168.6	216.6	46.4	71.5	449.6	645.9	10.4	10.2	628.6	872.7	492.6	709.2	9.4	8.3	126.6	155.2	1.
0.9	*1.6*	*0.2*	*0.6*	—	—	—	—	*0.7*	*1.0*	*21.2*	*35.5*	*16.5*	*27.0*	*87.1*	*134.3*	*1.0*	*0.4*	*109.3*	*170.2*	*103.1*	*159.8*	*0.5*	*0.4*	*5.7*	*10.0*	
19.7	*29.1*	*2.1*	*2.2*	*0.9*	*0.5*	—	—	*16.7*	*26.4*	*73.7*	*91.0*	*14.7*	*19.5*	*162.4*	*187.6*	*2.0*	*1.0*	*238.1*	*279.6*	*169.6*	*191.3*	*3.9*	*1.1*	*64.6*	*87.2*	
1.5	*1.5*	*1.0*	*0.8*	—	*0.1*	—	—	*0.5*	*0.6*	*13.2*	*11.7*	*4.5*	*4.1*	*97.2*	*154.7*	*2.4*	*2.6*	*112.8*	*169.0*	*102.2*	*160.9*	*1.4*	*0.8*	*9.2*	*7.3*	
3.5	6.6	2.0	1.4	—	0.1	—	—	1.5	5.1	17.5[c]	29.3[c]	0.4	0.8	129.3	248.9	—	—	166.5[d]	307.4[d]	129.5	249.3	1.9	3.2	15.4[c]	25.7[c]	2.
3.9	5.9	0.7	0.4	—	0.7	0.1	—	3.1	4.8	54.4	33.6	36.2	16.9	56.1	112.6	0.6	3.7	111.1	149.9	92.4	131.1	5.7	5.0	13.0	13.8	3.
1.5	4.3	0.4	1.2	—	0.3	—	—	1.1	2.8	6.1	12.2	2.2	2.3	29.5	39.0	1.2	4.9	36.8	56.1	32.7	45.5	0.2	0.5	3.9	10.1	4.
0.3	0.7	—	—	0.2	0.6	—	—	0.1	0.1	3.5	7.7	1.5	5.1	22.3	41.9	6.3	9.0	32.1	58.6	30.3	56.4	1.3	1.4	0.5	0.8	5.
2.2	1.7	0.2	0.2	—	0.3	—	—	2.0	1.2	6.6	5.2	0.2	1.0	9.7	11.8	0.1	0.4	16.4	17.4	10.0	13.2	1.2	0.6	5.2	3.6	6.
0.4	0.5	0.1	—	—	0.1	—	—	0.3	0.4	14.1	14.2	12.4	12.2	48.7	71.1	0.4	0.8	63.2	86.1	61.2	83.5	0.7	0.8	1.3	1.8	7.
5.1	4.7	0.4	0.6	—	—	—	—	4.7	4.1	18.3	22.9	3.1	13.6	15.7	17.7	0.1	0.1	34.1	40.7	17.6	24.2	4.1	1.2	12.4	15.3	8.
2.3	2.6	0.1	0.3	—	0.1	—	—	2.2	2.2	5.3	8.2	0.6	1.6	6.4	13.0	0.1	0.1	11.8	21.3	7.1	14.1	1.4	0.9	3.3	6.3	9.
—	—	—	—	—	—	—	—	—	—	0.2	0.3	—	—	0.6	1.4	—	—	0.8	1.7	0.6	1.4	—	0.2	0.2	0.1	10.
5.8	9.0	0.6	0.6	—	0.4	—	—	5.2	8.0	16.7	36.3	2.6	9.7	18.0	43.5	0.6	0.3	35.3	80.1	19.8	48.4	3.7	4.8	11.8	26.9	11.
13.4	14.4	3.9	2.9	—	0.3	—	—	9.5	11.2	37.8	60.8	5.3	18.2	56.8	88.4	0.8	0.5	95.4	149.7	59.4	97.2	9.6	10.7	26.4	41.8	12.
—	—	—	—	—	—	—	—	—	—	—	0.1	—	—	0.2	0.3	—	—	0.2	0.4	0.2	0.3	—	0.1	—	—	13.
4.4	2.9	0.1	2.6	—	—	—	—	4.3	0.3	10.3	8.1	—	—	0.4	0.5	—	—	10.7	8.6	0.4	0.5	5.0	5.0	5.3	3.1	14.
1.6	1.2	—	0.1	—	—	—	—	1.6	1.1	2.8	4.2	0.1	0.2	5.5	9.8	—	0.1	8.3	14.1	5.5	10.1	0.1	1.2	2.7	2.8	15.
10.0	15.9	0.6	9.8	—	—	—	—	9.4	6.1	25.8	36.5	1.8	23.3	25.4	23.8	0.8	3.8	52.0	64.1	28.0	39.3	9.8	2.0	14.2	22.8	16.
19.1	25.1	3.5	2.5	—	2.2	0.6	0.1	15.0	20.3	58.4	79.4	12.5	22.5	73.0	108.1	4.4	5.2	135.8	192.7	88.6	130.6	11.1	11.7	36.1	50.4	17.
25.1	19.7	3.8	0.8	—	—	—	0.4	21.3	18.5	91.5	81.0	8.8	12.6	126.5	151.3	3.3	4.6	221.3	236.9	137.2	165.8	16.2	22.5	67.9	48.6	18.
5.4	2.5	0.5	0.2	—	—	—	—	4.9	2.3	14.9	10.6	0.5	1.6	19.4	32.5	0.1	0.1	34.4	43.2	19.8	33.6	2.5	2.2	12.1	7.4	19.
15.5	14.3	0.6	1.0	—	0.2	—	3.9	14.9	9.2	37.3	89.0[f]	3.8	43.1	40.2	103.4	0.5	0.3	78.0	203.0[g]	44.1	144.3	2.6	4.1	31.3	44.3[f]	20.
160.1	180.1	28.1	30.4	1.8	9.6	0.7	4.4	129.5	135.7	590.1	756.2	138.4	256.2	1 133.3	1 764.9	29.7	44.1	1 772.8	2 604.7	1 277.0	1 998.0	86.5	86.4	389.6	480.8	TOTAL EXPORT
6.4	5.6	1.1	0.8	1.0	0.3	—	—	4.3	4.5	56.6	80.1	26.0	45.4	435.2	513.1	15.6	12.6	507.4	605.8	473.5	563.8	7.8	7.1	26.1	34.9	1.
0.6	*1.0*	*0.2*	*0.2*	—	*0.1*	—	—	*0.4*	*0.7*	*11.4*	*25.9*	*7.9*	*20.3*	*191.5*	*271.7*	*4.9*	*2.3*	*207.8*	*299.9*	*203.5*	*291.6*	*0.3*	*0.2*	*4.0*	*8.1*	
3.4	*3.3*	*0.6*	*0.3*	*0.7*	*0.1*	—	—	*2.1*	*2.9*	*30.7*	*37.1*	*12.9*	*17.6*	*156.1*	*155.7*	*7.2*	*4.5*	*194.0*	*197.3*	*173.9*	*174.0*	*3.5*	*3.4*	*16.6*	*19.9*	
0.1	*0.5*	*0.1*	*0.1*	—	—	—	—	—	*0.4*	*2.6*	*3.5*	*0.1*	*0.4*	*26.5*	*27.3*	—	*1.1*	*29.1*	*31.9*	*26.6*	*28.5*	*2.0*	*1.2*	*0.5*	*2.2*	
—	—	—	—	—	—	—	—	—	—	—	0.1	—	—	0.3	1.8	—	—	0.3	1.9	0.3	1.8	—	0.1	—	—	2.
0.1	0.3	—	0.1	—	—	—	—	0.1	0.2	1.4	10.2	0.5	9.3	9.5	10.1	—	0.8	10.9	21.1	10.0	19.9	0.7	0.4	0.2	0.8	3.
0.7	0.9	0.4	0.1	—	—	—	—	0.3	0.8	1.1	5.1	0.2	1.2	7.0	10.6	1.8	0.3	9.9	16.0	9.0	11.8	—	0.1	0.9	4.1	4.
—	—	—	—	—	—	—	—	—	—	0.1	1.2	0.1	0.3	1.6	2.2	0.4	0.5	2.1	3.9	2.1	3.0	—	0.9	—	—	5.
0.5	0.7	0.2	—	—	—	—	—	0.3	0.7	4.2	4.6	0.3	1.6	3.0	5.4	—	—	7.2	10.0	3.1	6.7	2.0	1.1	2.1	2.2	6.
0.3	0.7	—	—	0.3	0.7	—	—	—	—	8.7	13.6	7.4	11.7	22.4	41.1	1.7	1.6	32.8	56.3	31.7	55.1	1.0	0.8	0.1	0.4	7.
1.3	0.7	0.1	0.1	—	—	—	—	1.2	0.6	4.7	3.3	2.8	1.2	4.0	7.0	0.1	—	8.8	10.3	6.8	8.1	0.4	0.7	1.6	1.5	8.
0.6	0.7	0.1	—	—	—	—	—	0.5	0.7	2.8	3.7	0.1	0.4	6.8	16.7	0.9	1.2	10.5	21.6	7.8	18.0	1.8	2.0	0.9	1.6	9.
0.1	0.2	—	—	—	0.1	—	—	0.1	0.1	0.7	0.7	—	0.1	3.4	5.7	—	0.1	4.1	6.5	3.4	5.9	0.3	0.2	0.4	0.4	10.
2.0	7.0	0.5	1.5	0.1	1.1	—	0.4	1.4	4.0	11.6	23.3	1.9	4.9	21.7	38.6	2.0	1.1	35.3	63.0	24.6	43.9	6.5	7.7	4.2	11.4	11.
0.8	1.5	0.5	0.3	—	0.1	—	0.1	0.3	1.0	4.4	7.8	0.3	1.2	11.5	21.2	1.0	1.0	16.9	30.0	12.8	23.1	2.8	3.4	1.3	3.5	12.
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	0.1	—	—	—	0.1	—	0.1	—	—	—	—	13.
—	—	—	—	—	—	—	—	—	—	—	—	—	—	0.2	1.0	—	—	0.2	1.0	0.2	1.0	—	—	—	—	14.
—	—	—	—	—	—	—	—	—	—	—	0.2	—	0.1	2.2	3.6	—	—	2.2	3.8	2.2	3.8	—	—	—	—	15.
—	0.8	—	0.8	—	—	—	—	—	—	1.5	3.2	1.1	2.9	13.9	21.6	4.6	4.3	20.0	29.1	18.6	26.5	0.4	0.3	1.0	2.3	16.
0.8	4.8	0.6	0.9	—	0.3	—	2.6	0.2	1.0	4.7	15.0	0.5	2.8	10.8	19.1	0.8	0.8	16.3	34.9	11.9	22.3	1.7	5.1	2.7	7.5	17.
0.1	0.2	0.1	—	—	—	—	—	—	0.2	2.2	6.3	0.5	4.1	10.8	19.2	0.3	—	13.3	25.5	11.6	22.8	1.5	1.7	0.2	1.0	18.
0.1	0.1	—	—	—	—	—	—	0.1	0.1	0.9	1.5	0.3	0.8	3.7	4.4	—	0.1	4.6	6.0	4.0	5.2	0.1	0.1	0.5	0.7	19.
0.1	0.3	—	—	—	—	—	—	0.1	0.3	3.1	9.8	1.7	7.4	7.2	16.9	0.3	0.3	10.6	27.0	9.2	24.5	0.7	1.0	0.7	1.5	20.
13.9	24.5	3.6	4.6	1.4	2.6	—	3.1	8.9	14.2	108.7	189.7	43.7	95.4	575.2	759.4	29.5	24.7	713.4	973.8	642.8	867.3	27.7	32.7	42.9	73.8	TOTAL EXPORT
1.9	1.0	0.5	0.4	—	—	—	—	1.4	0.6	47.3	42.9	16.9	14.3	45.1	77.7	8.4	13.7	100.8	134.3	67.2	102.8	20.2	13.6	13.4	17.9	1.
—	—	—	—	—	—	—	—	—	—	—	—	—	—	1.8	2.0	—	—	1.8	2.0	1.8	2.0	—	—	—	—	2.
0.8	0.5	0.1	—	0.7	0.4	—	—	—	0.1	15.0	25.2	12.6	20.0	60.8	89.9	3.1	3.5	78.9	118.6	77.2	114.6	1.2	2.1	0.5	1.9	3.
0.6	—	—	—	*0.6*	—	—	—	—	—	*0.8*	*0.5*	*0.2*	*0.5*	*7.6*	*14.1*	*1.4*	*1.2*	*9.8*	*15.8*	*9.8*	*15.8*	—	—	—	—	
0.1	*0.4*	*0.1*	—	—	*0.3*	—	—	—	*0.1*	*7.2*	*5.9*	*6.8*	*3.7*	*25.8*	*28.8*	*0.4*	*1.6*	*33.4*	*36.3*	*33.0*	*34.2*	*0.3*	*1.1*	*0.1*	*1.0*	
0.4	0.3	0.2	0.2	—	—	—	—	0.2	0.1	2.3	3.2	1.2	1.7	33.7	17.4	9.6	18.0	45.6	38.6	44.3	36.7	0.3	0.3	1.0	1.6	4.
—	—	—	—	—	—	—	—	—	—	—	—	—	—	0.9	1.6	—	0.1	0.9	1.7	0.9	1.7	—	—	—	—	5.
—	—	—	—	—	—	—	—	—	—	0.4	0.3	0.1	0.2	0.2	0.6	—	—	0.6	0.9	0.3	0.8	0.1	0.1	0.2	—	6.
0.2	0.1	—	—	0.1	—	—	—	0.1	0.1	3.4	5.8	1.9	2.9	51.1	67.2	1.4	1.5	55.9	74.5	54.5	71.6	1.1	2.5	0.3	0.4	7.
0.1	0.2	0.1	0.1	—	—	—	—	—	0.1	0.6	2.1	0.3	1.2	1.4	4.7	—	—	2.0	6.8	1.6	5.9	0.2	0.5	0.2	0.4	8.
0.2	0.2	—	—	0.1	0.1	—	—	0.1	0.1	0.9	2.6	0.4	0.7	3.6	8.4	0.2	—	4.7	11.0	4.3	9.0	0.2	0.8	0.2	1.2	9-13.
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	0.1	—	—	—	0.1	—	0.1	—	—	—	—	14.
—	—	—	—	—	—	—	—	—	—	—	—	—	—	0.1	0.1	—	—	0.1	0.1	0.1	0.1	—	—	—	—	15.
7.7	9.3	5.9	9.3	—	—	—	—	1.8	—	16.5	19.6	7.5	14.1	9.6	22.9	—	0.5	26.1	43.0	10.0	24.5	0.3	1.5	15.8	17.0	16.
4.0	1.8	3.8	1.5	—	—	—	0.1	0.2	0.2	6.8	7.8	1.8	3.2	34.7	41.1	0.1	0.5	41.6	49.4	36.5	44.8	0.5	2.2	4.6	2.4	17.
0.2	0.2	—	0.1	—	—	—	—	0.2	0.1	4.1	2.6	3.1	1.4	3.6	4.3	0.7	2.4	8.4	9.3	7.3	7.7	0.3	0.6	0.8	1.0	18.
2.8	5.3	1.0	1.3	—	—	1.0	1.4	0.8	2.6	20.7	26.4	1.1	4.0	17.1	28.0	—	—	37.8	54.4	17.6	30.0	11.6	10.2	8.6	14.2	19.
0.4	0.4	0.2	0.1	—	—	—	—	0.2	0.3	2.4	4.0	1.0	2.7	3.9	6.2	0.8	0.1	7.1	10.3	5.7	8.9	0.4	0.5	1.0	0.9	20.
18.7	19.3	11.8	13.0	0.9	0.5	1.0	1.5	5.0	4.3	120.4	142.5	47.9	66.4	267.6	372.2	24.3	40.3	412.3	555.0	329.3	461.2	36.4	34.9	46.6	58.9	TOTAL EXPORT

see “ Sources and methods ”.

[f] Excluding ships' stores.

[g] Including ships' stores.

Tabl

Exports of selected European countries and the United State

Millions of dollars

Exporting country and commodity group / Area of destination and period	North America		of which: United States		of which: Canada		Latin America		Overseas Sterling Area		of which: British overseas territories		of which: Union of South Africa		of which: Other in Africa		of which: Other in Asia		of which: Other in Oceania		Affiliated overseas territories [a]	
	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956
SWEDEN																						
1. Food, drink and tobacco	5.0	1.4	4.9	1.3	0.1	0.1	0.3	0.6	0.2	0.1	0.2	0.1	—	—	—	—	—	—	—	–	1.2	2.7
2. Mineral fuels and petroleum products	—	0.1	—	0.1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Metallic ores and base metals	18.8	17.1	18.3	16.1	0.5	1.0	4.6	7.5	1.5	6.9	0.2	0.4	0.4	1.0	—	—	0.4	4.7	0.5	0.8	0.2	0.1
of which: Ores and scrap	13.4	6.2	13.4	6.2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Iron and steel	5.1	9.9	4.7	8.9	0.4	1.0	4.4	7.1	1.3	6.3	0.1	0.3	03.	1.0	—	—	0.3	4.2	0.6	0.8	0.1	0.1
4. Oil-seeds, fats and oils	0.9	—	0.9	—	—	—	—	0.1	0.1	0.2	0.1	0.2	—	—	—	—	—	—	—	—	–	1.6
5. Textile fibres, natural	0.5	0.2	0.5	0.2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6. Selected construction materials	0.6	1.7	0.4	1.0	0.2	0.7	0.7	0.4	1.4	1.5	0.7	1.4	0.1	0.1	—	—	0.3	—	0.3	—	1.1	0.6
7. Other raw materials	16.4	23.3	16.2	23.2	0.2	0.1	14.1	18.1	10.0	13.7	0.5	0.7	2.3	2.9	0.4	0.1	1.5	4.1	5.3	5.9	2.0	3.0
of which: Timber	—	—	—	—	—	—	0.2	—	6.0	5.2	0.5	0.7	2.3	2.0	0.3	0.1	0.6	1.3	2.3	1.1	1.8	2.3
Pulp	15.5	19.7	15.4	19.7	0.1	—	13.8	18.1	4.0	8.5	—	—	—	0.9	0.1	—	0,9	2.8	3.0	4.8	0.2	0.7
8. Metal manufactures	5.0	7.2	3.6	4.0	1.4	3.2	8.3	7.0	7.3	9.8	1.0	1.0	2.7	3.5	0.1	0.1	2.1	3.7	1.4	1.5	0.9	1.0
9. Power-generating (except electric) machinery	0.2	0.6	0.1	0.3	0.1	0.3	2.2	3.7	0.7	2.1	0.1	0.7	0.2	0.2	—	—	0.3	0.8	0.1	0.4	0.1	0.4
10. Agricultural machinery	0.3	0.5	0.1	—	0.2	0.5	0.4	0.6	1.0	1.0	0.1	—	0.3	0.4	—	—	—	0.1	0.6	0.5	0.1	—
11. Metal-working, mining, construction and other industrial machinery	7.3	14.2	4.6	9.0	2.7	5.2	11.9	15.3	7.5	12.6	1.0	1.1	1.7	3.0	0.2	0.5	2.0	4.1	2.6	3.9	1.3	1.8
12. Electric machinery	0.7	1.7	0.6	1.3	0.1	0.4	9.8	14.5	2.1	5.2	0.2	0.5	0.6	0.9	—	—	0.5	2.7	0.8	1.1	0.3	0.7
13. Tractors	—	—	—	—	—	—	0.2	0.5	—	0.3	—	—	—	0.2	—	—	—	0.1	—	—	—	—
14. Railway vehicles	—	—	—	—	—	—	—	0.1	—	0.1	—	—	—	—	—	—	—	0.1	—	–	–	—
15. Road motor vehicles	—	3.1	—	3.1	—	—	3.9	8.3	—	0.9	—	0.3	—	0.3	—	—	—	0.3	—	—	0.4	0.8
16. Other vehicles	—	0.2	—	0.2	—	—	8.5	2.3	—	0.4	—	—	—	0.4	—	—	—	—	—	–	–	–
17. Chemicals	0.8	1.5	0.8	1.4	—	0.1	1.3	3.6	1.8	2.4	0.3	0.2	0.4	0.9	0.1	—	0.4	0.5	0.6	0.8	0.1	0.3
18. Textile manufactures and clothing	1.0	1.3	1.0	1.2	—	0.1	1.2	0.4	0.6	1.0	0.2	0.1	—	0.3	0.1	0.1	0.3	0.2	—	0.3	–	0.2
19. Paper, manufactures of wood and paper (excluding furniture)	2.9	6.6	2.8	6.2	0.1	0.4	10.4	16.6	23.3	24.0	2.6	4.6	6.5	5.9	0.4	0.8	4.9	6.6	8.9	6.1	1.6	3.2
20. All other commodities	3.1	6.1	2.7	5.3	0.4	0.8	2.3	2.8	3.7	5.0	2.4	2.9	0.4	0.9	0.1	0.1	0.4	0.5	0.4	0.6	2.5	2.6
Total exports	63.5	86.8	57.5	73.9	6.0	12.9	80.1	102.4	61.2	87.2	9.6	14.2	15.6	20.9	1.4	1.7	13.1	28.5	21.5	21.9	11.8	19.0
NINE SELECTED EUROPEAN COUNTRIES COMBINED [c]																						
1. Food, drink and tobacco	208.8	307.1	180.5	268.5	26.7	38.6	90.4	80.9	262.3	357.7	171.3	246.7	5.8	12.5	7.5	16.3	52.9	53.7	24.8	28.5	230.7	356.8
2. Mineral fuels and petroleum products	10.5	7.2	6.3	5.2	4.0	2.0	7.2	5.2	107.5	60.0	53.7	32.7	4.8	4.3	1.6	5.3	37.1	13.5	10.3	4.2	86.4	146.3
3. Metallic ores and base metals	240.6	311.3	204.2	241.7	35.4	69.6	124.4	179.7	254.2	372.1	72.4	100.4	35.8	31.4	8.5	13.2	57.7	151.7	79.8	75.4	93.4	87.1
4. Oil-seeds, fats and oils	16.7	9.3	14.6	8.0	1.4	1.3	4.1	5.1	6.5	14.6	4.0	7.2	0.1	1.1	0.3	1.0	0.9	2.3	1.2	3.0	10.4	27.8
5. Textile fibres, natural	48.0	63.6	35.6	48.3	11.6	15.3	8.3	7.8	16.0	25.2	4.5	2.4	1.2	2.4	0.2	0.2	9.3	18.0	0.8	2.2	3.6	2.7
6. Selected construction materials	23.0	64.1	11.7	43.2	10.7	20.9	33.7	24.7	93.1	90.7	36.1	46.1	5.7	7.7	3.6	3.4	14.4	15.1	33.3	18.4	38.4	30.7
7. Other raw materials	68.9	80.6	63.1	73.6	5.0	7.0	22.2	27.7	21.7	31.3	5.1	6.7	3.0	5.0	1.0	0.6	4.3	7.9	8.3	11.1	19.6	28.3
8. Metal manufactures	62.2	98.3	39.3	71.2	22.8	27.1	88.8	81.7	198.6	228.2	69.3	72.6	25.7	31.6	6.5	9.0	45.5	71.4	51.6	43.6	90.8	76.6
9. Power-generating (except electric) machinery	10.0	20.8	3.6	9.0	6.3	11.8	37.9	51.0	93.5	110.9	22.6	22.7	15.8	16.9	3.1	4.3	30.3	40.9	21.7	26.1	23.6	23.1
10. Agricultural machinery	3.1	3.2	1.6	1.7	1.4	1.5	5.2	4.2	21.9	15.9	3.4	2.8	3.4	3.0	0.6	0.8	2.4	1.2	12.1	8.1	7.4	3.5
11. Metal-working, mining, construction and other industrial machinery	111.8	156.4	77.2	107.0	34.3	49.4	200.1	185.1	324.7	395.1	74.1	83.2	56.6	54.3	8.3	16.5	97.0	155.2	88.7	85.9	105.1	86.0
12. Electric machinery	28.8	79.4	10.3	47.2	18.2	32.2	94.0	126.1	259.9	328.1	62.0	85.6	44.4	42.4	9.0	15.6	68.1	105.6	76.4	78.9	73.6	74.8
13. Tractors	6.2	6.8	0.7	4.7	5.3	2.1	20.6	29.5	32.0	44.1	4.4	6.8	4.8	10.4	0.9	1.4	3.7	7.8	18.2	17.7	8.9	6.7
14. Railway vehicles [d]	0.5	5.5	0.5	0.4	—	5.1	17.0	20.7	23.4	97.5	1.1	13.9	1.9	14.1	2.6	5.9	15.1	49.2	2.7	14.4	25.0	17.9
15. Road motor vehicles [d]	83.3	152.4	48.5	116.8	34.7	35.6	107.1	96.3	402.4	402.2	107.5	126.6	36.0	55.3	38.8	21.9	67.8	66.2	152.3	132.2	104.7	110.1
16. Other vehicles [d]	4.4	106.7	4.1	76.3	0.2	30.4	52.6	85.9	6.2	156.4	3.9	69.2	0.3	3.4	0.4	8.0	1.1	33.5	0.5	42.3	22.5	27.3
17. Chemicals	116.2	162.6	99.8	127.1	15.7	35.5	93.3	184.4	289.5	449.6	115.4	146.8	28.4	46.6	6.9	14.3	94.5	150.5	44.3	91.4	98.9	143.9
18. Textile manufactures and clothing	232.7	330.4	161.1	236.2	70.9	94.2	89.8	78.8	604.5	568.6	237.3	149.7	90.6	107.9	16.3	24.7	107.0	97.7	153.3	188.6	223.1	249.1
19. Paper, manufactures of wood and paper (excluding furniture)	10.0	32.1	8.5	28.7	0.9	3.4	21.1	35.8	87.6	103.9	19.2	25.9	15.3	17.7	1.9	2.8	18.0	21.1	33.2	36.4	28.9	37.3
20. All other commodities	226.0	512.2	164.9	415.7	59.0	96.5	88.6	101.8	288.4	445.5	128.7	214.9	35.6	52.9	12.6	21.0	47.7	70.2	63.8	86.5	203.7	216.8
Total exports	1 511.7	2 510.0	1 136.1	1 930.5	364.5	579.5	1 206.4	1 412.4	3 393.9	4 297.6	1 196.0	1 462.9	415.2	520.9	130.6	186.2	774.8	1132.7	877.3	994.9	1 498.7	1 752.8
UNITED STATES [i]																						
1. Food, drink and tobacco	151.9	205.6	6.7	6.4	144.4	199.2	450.9	346.8	246.2	214.6	43.0	48.4	12.2	3.9	0.3	2.4	164.8	132.1	25.9	27.8	36.1	30.9
of which: Cereals and preparations	23.5	22.7	0.7	1.2	22.6	21.5	255.8	170.4	183.7	138.4	16.8	16.2	11.6	2.0	—	2.2	155.2	118.0	0.1	—	19.0	19.4
Fruits and vegetables	97.6	114.6	1.3	1.1	96.3	113.5	61.6	38.3	5.7	5.1	5.4	4.0	—	0.4	0.1	—	0.2	0.1	—	0.6	2.3	1.0
Tobacco	3.8	3.9	0.7	0.6	3.0	3.3	20.5	27.2	47.6	50.6	15.3	17.1	—	0.7	0.1	—	8.1	6.4	24.1	26.4	9.4	6.2
2. Mineral fuels and petroleum products	381.7	259.0	2.6	0.1	379.0	258.9	116.3	119.3	81.2	27.3	14.7	5.7	10.6	4.7	1.1	0.5	33.8	7.2	21.0	9.2	43.7	33.2
3. Metallic ores and base metals	214.0	280.2	0.5	0.3	213.4	279.9	174.8	188.5	52.1	50.6	7.9	7.9	10.8	9.2	0.2	0.3	13.8	24.9	19.4	8.3	8.4	3.4
of which: Iron and steel	165.8	203.2	0.5	0.3	164.9	202.9	155.5	153.7	45.7	38.4	7.7	7.6	10.7	8.7	0.1	0.2	8.2	14.1	19.0	7.8	7.7	3.2
4. Oil-seeds, fats and oils	50.4	60.0	0.2	0.5	50.1	59.5	43.7	87.3	7.7	9.7	0.9	0.4	5.4	8.0	0.6	0.7	0.8	0.6	—	—	1.5	12.6
5. Textile fibres, natural	56.2	41.4	—	—	56.2	41.4	18.6	22.2	88.6	52.3	0.4	10.7	1.9	3.8	—	0.4	82.8	30.1	3.5	7.3	4.8	6.7
6. Selected construction materials	50.2	63.9	0.2	0.1	49.8	63.8	40.0	32.8	6.9	4.9	2.5	1.7	1.1	1.0	0.2	0.3	2.0	1.2	1.1	0.7	3.1	1.1
7. Other raw materials	82.6	111.1	0.3	0.1	80.7	111.0	36.7	62.4	25.3	39.0	3.6	4.9	9.0	9.6	0.1	0.1	2.0	4.4	10.6	20.0	3.7	2.5
8. Metal manufactures	75.7	71.4	0.8	0.4	74.8	71.0	90.9	67.5	15.5	12.9	4.5	4.2	4.1	2.6	0.4	0.4	3.8	4,4	2.7	1.3	5.6	2.5
9. Power-generating (except electric) machinery	40.2	51.8	0.1	0.1	40.1	51.7	47.3	44.8	15.2	12.2	3.8	2.8	3.1	1.2	—	0.2	2.7	3.3	5.6	4.7	8.4	3.6
10. Agricultural machinery	62.0	45.3	—	—	61.9	45.3	29.5	21.8	9.9	8.0	1.2	0.9	3.8	2.7	0.2	0.2	1.0	0.8	3.7	3.4	3.3	3.9
11. Metal-working, mining, construction and other industrial machinery	289.5	376.9	1.0	0.5	288.4	376.4	363.6	345.9	111.9	128.5	23.7	28.6	27.0	21.9	1.3	4.8	28.9	43.5	31.0	29.7	37.9	26.4
12. Electric machinery	112.1	142.0	1.6	1.7	110.5	140.3	170.0	140.1	34.6	23.4	5.0	4.0	7.4	5.1	0.1	0.4	12.6	8.1	9.5	5.8	12.7	4.0
13. Tractors	87.7	81.2	—	—	87.7	81.2	64.3	55.4	37.9	31.5	6.6	6.3	8.4	6.6	0.8	1.2	5.6	5.3	16.5	12.1	12.3	9.9
14. Railway vehicles	9.2	12.2	—	—	9.2	12.2	30.1	32.9	11.6	8.7	1.1	0.7	1.3	0.9	0.8	0.1	3.3	6.6	5.1	0.4	2.0	1.1
15. Road motor vehicles	194.2	297.9	1.6	1.1	192.6	296.8	348.6	342.7	59.7	97.1	9.3	15.6	18.5	35.2	0.4	1.6	19.9	32.4	11.6	12.3	31.9	29.0
16. Other vehicles	8.1	27.0	—	—	7.6	27.0	32.7	49.2	1.3	21.4	0.6	1.7	0.2	5.2	—	0.2	0.4	6.1	0.1	8.2	1.0	2.4
17. Chemicals	142.8	183.2	1.1	1.0	141.5	182.2	278.8	321.3	56.5	74.9	9.5	12.3	13.2	18.1	0.5	1.3	25.8	31.1	7.5	12.1	16.5	8.9
18. Textile manufactures and clothing	115.0	94.7	1.6	1.6	113.2	93.1	207.6	140.5	53.6	62.9	15.6	20.8	27.1	34.6	—	0.3	7.7	2.7	3.2	4.5	23.0	11.0
of which: Cotton fabrics	46.7	34.5	02.	0.1	46.5	34.4	73.4	45.3	21.5	15.6	5.1	3.8	12.1	9.7	—	—	2.7	0.6	1.6	1.5	6.7	1.9
19. Paper, manufactures of wood and paper (excluding furniture)	31.4	44.5	0.5	0.4	30.7	44.1	66.9	60.2	18.8	12.5	2.7	2.9	9.1	7.0	—	0.5	2.4	0.8	4.6	1.3	2.3	1.4
20. All other commodities	224.5	229.2	2.1	2.4	222.2	226.8	233.1	206.7	42.8	85.3	17.3	29.9	11.2	15.1	0.4	0.9	8.5	32.8	5.4	6.6	21.5	14.5
Unspecified		460.4		1.8		458.6		279.8		72.0		33.5		18.7		1.0		12.2		6.6		74.8
Total exports	2 379.4	3 138.9	20.9	18.5	2 354.0	3 120.4	2 844.4	2 968.1	977.3	1 049.7	173.9	243.9	185.4	215.1	7.4	17.8	422.6	390.6	188.0	182.3	279.7	283.8

Sources and methods: See Appendix B. [a] Excluding the sterling area. [b] Including unallocated exports. [c] Belgium-Luxembourg, Denmark, France, western Germany, Italy, Netherlands, Norway, Sweden, and the United Kingdo

[i] Figures for 1956 are not fully comparable with those for 1952. Exports to unspecified destinations (amounting in 1956 to $1,066.8 million at 1950 prices) are not available by commodity groups for all areas of destination. They have be

[j] Excluding special categories.

main commodity groups and by area of destination

prices, f.o.b.

OTHER OVERSEAS COUNTRIES		of which :								TOTAL OVERSEAS COUNTRIES b		of which :		WESTERN EUROPE		EASTERN EUROPE		TOTAL WORLD		of which :						Group
		IN AFRICA		JAPAN		CHINA		OTHER IN ASIA				DOLLAR AREA								HIGHLY INDUSTRIALIZED COUNTRIES		SEMI-INDUSTRIALIZED COUNTRIES		NON-INDUSTRIALIZED COUNTRIES b		
952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	
1.0	0.1	—	—	0.3	—	—	—	0.7	0.1	7.8	5.1	5.3	1.7	33.6	45.5	9.0	6.5	50.4	57.1	47.9	53.4	0.1	0.3	2.4	3.4	1.
—	—	—	—	—	—	—	—	—	—	—	0.1	—	0.1	0.5	2.2	—	—	0.5	2.3	0.5	2.3	—	—	—	—	2.
1.8	2.4	0.2	0.2	1.2	1.1	—	0.2	0.4	0.9	27.0	34.2	19.2	18.0	136.9	187.6	15.0	9.1	178.9	230.9	171.9	214.9	5.1	8.5	1.9	7.5	3.
0.1	—	—	—	*0.1*	—	—	—	—	—	*13.6*	*6.3*	*13.4*	*6.2*	*83.0*	*96.8*	*8.9*	*5.3*	*105.5*	*108.4*	*105.4*	*108.3*	—	—	*0.1*	*0.1*	
1.6	*2.3*	*0.2*	*0.2*	*1.1*	*1.1*	—	*0.2*	*0.3*	*0.8*	*12.7*	*25.7*	*5.5*	*10.7*	*40.5*	*65.5*	*6.0*	*3.7*	*59.2*	*94.9*	*52.7*	*80.2*	*4.9*	*8.1*	*1.6*	*6.6*	
0.1	—	0.1	—	—	—	—	—	—	—	1.1	1.9	0.9	—	11.8	13.2	0.5	1.0	13.4	16.1	13.2	14.2	—	0.1	0.2	1.8	4.
—	0.1	—	—	—	—	—	—	—	0.1	0.5	0.4	0.5	0.2	1.9	4.3	0.8	0.4	3.2	5.1	3.2	4.9	—	—	—	0.2	5.
3.1	1.0	0.3	—	—	—	—	—	2.8	1.0	6.9	5.2	0.7	2.0	5.8	4.3	—	—	12.7	9.5	6.4	6.0	1.0	0.4	5.3	3.1	6.
3.5	4 3	2.2	1.5	0.5	0.8	—	0.4	0.8	1.6	46.0	62.5	18.5	25.9	240.2	347.7	4.3	6.7	290.5	416.9	261.4	378.5	19.6	24.4	9.5	14.0	7.
2.2	*1.5*	*1.7*	*0.7*	—	—	—	—	*0.5*	*0.8*	*10.2*	*9.0*	—	—	*91.4*	*129.8*	*0.1*	*2.0*	*101.7*	*140.8*	*91.5*	*131.8*	*4.8*	*3.1*	*5.4*	*5.9*	
1.1	*2.5*	*0.5*	*0.8*	*0.3*	*0.5*	—	*0.4*	*0.3*	*0.8*	*34.6*	*49.5*	*17.6*	*22.3*	*138.3*	*204.7*	*2.9*	*3.1*	*175.8*	*257.3*	*157.0*	*228.0*	*14.7*	*21.3*	*4.1*	*8.0*	
4.8	3.9	0.7	0.4	0.2	0.2	—	0.9	3.9	2.4	26.3	28.9	7.1	10.3	22.3	31.3	1.9	1.2	50.5	61.4	29.4	39.9	10.3	9.2	10.8	12.3	8.
1.2	2.1	0.2	0.4	0.6	0.2	—	0.7	0.4	0.8	4.4	8.9	0.6	1.7	8.4	10.2	5.5	1.0	18.3	20.1	14.7	12.0	2.1	3.5	1.5	4.6	9.
0.1	0.1	—	—	—	—	—	—	0.1	0.1	1.9	2.3	0.3	0.6	9.4	8.3	0.2	0.2	11.5	10.8	9.9	9.0	1.3	1.4	0.3	0.4	10.
4.3	7.2	1.9	0.6	0.8	2.6	—	0.3	1.6	3.7	32.3	51.1	9.6	21.8	51.2	77.3	10.8	4.2	94.3	132.6	70.1	98.3	13.9	15.5	10.3	18.8	11.
2.1	3.9	0.7	1.9	—	0.1	—	0.1	1.4	1.8	15.0	26.0	6.2	10.9	18.0	28 7	14.6	1.9	47.6	56.6	33.3	32.4	5.7	7.5	8.6	16.7	12.
—	0.1	—	—	—	—	—	—	—	0.1	0.2	0.9	—	0.2	2.1	3.3	—	—	2.3	4.2	2.1	3.3	0.2	0.5	—	0.4	13.
—	—	—	—	—	—	—	—	—	—	—	0.2	—	—	1.1	4.1	3.1	0.5	4.2	4.8	4.2	4.6	—	0.1	—	0.1	14.
0.2	0.9	0.2	0.1	—	—	—	—	—	0.8	4.5	14.0	—	3.6	11.8	20.8	—	—	16.3	34.8	11.8	23.9	3.9	8.1	0.6	2.8	15.
1.7	5.8	0.1	5.5	—	—	—	—	1.6	0.3	10.2	8.7	1.5	7.2	49.7	54.5	10.3	10.9	70.2	74.1	60.0	65.6	7.1	1.1	3.1	7.4	16.
0.6	1.3	0.2	0.3	—	0.2	—	0.1	0.4	0.7	4.7	9.3	0.8	2.3	14.6	32.7	2.1	2.2	21.4	44.2	17.5	36.6	2.2	4.7	1.7	2.9	17.
0.4	0.3	0.1	—	—	—	—	—	0.3	0.3	3.3	3.4	1.5	1.5	11.7	14.7	0.9	3.2	15.9	21.3	13.6	19.2	0.7	0.9	1.6	1.2	18.
6.6	8.4	3.1	1.6	0.1	0.2	0.2	1.4	3.2	5.2	44.8	58.8	5.8	13.6	56.7	98.9	1.0	1.6	102.5	159.3	60.7	107.3	22.9	22.0	18.9	30.0	19.
3.1	2.5	0.2	0.1	—	0.1	—	0.3	2.9	2.0	14.9	19.2	4.2	8.0	15.4	28.2	0.8	0.9	31.1	48.3	19.3	35.3	2.0	2.6	9.8	10.4	20.
34.6	44.4	10.2	12.6	3.7	5.5	0.2	4.4	20.5	21.9	251.8	341.1	82.7	129.6	703.1	1 017.8	80.8	51.5	1 035.7	1 410.4	851.1	1 161.6	98.1	110.8	86.5	138.0	TOTAL EXPORTS
7.5	137.6	37.6	33.7	23.5	14.0	—	2.4	116.4	87.5	972.9[e]	1 240.8[e]	249.6	368.5	1 536.4	2 236.3	58.4	122.2	2 574.1[f]	3 609.2[f]	1 828.1	2 679.7	80.6	70.1	659.0[e]	849.5[e]	1.
8.7	27.7	29.6	9.6	—	0.9	—	—	29.1	17.2	270.4[g]	246.4[g]	11.0	8.8	915.4	1 277.7	1.7	0.8	1 240.4[h]	1 642.9[h]	927.6	1 286.6	21.8	12.8	238.1[g]	225.5[g]	2.
3.3	155.5	21.5	21.0	3.3	18.9	1.7	7.4	56.8	108.2	803.3	1 106.9	283.2	422.8	1 126.2	1 680.3	48.3	155.4	1 977.8	2 942.6	1 418.4	2 165.9	198.6	184.2	360.8	592.5	3.
7.2	10.0	2.3	2.7	—	0.5	0.1	—	4.8	6.8	45.4	66.9	17.8	13.2	132.6	150.0	14.4	27.5	192.4	244.4	163.7	187.3	4.3	5.4	24.4	51.7	4.
6.8	49.1	2.6	4.2	3.9	19.5	2.0	19.8	8.3	5.6	93.1	148.8	50.5	66.6	329.4	476.7	22.2	41.3	444.7	666.8	403.5	601.0	7.7	9.4	33.5	56.4	5.
4.7	25.2	5.2	4.4	—	1.0	—	—	19.5	19.8	213.0	235.5	31.9	81.4	97.8	161.9	0.8	1.1	311.6	398.5	121.6	228.1	63.8	32.8	126.2	137.6	6.
9.6	14.0	4.2	3.4	1.4	3.4	—	0.4	4.0	6.8	142.4	182.4	74.4	87.9	528.4	845.5	10.8	17.3	681.6	1 045.2	609.5	946.8	27.9	37.0	44.2	61.4	7.
9.3	74.7	14.6	15.0	1.7	1.2	0.1	1.2	52.9	57.3	519.1	559.8	101.7	158.7	259.4	343.7	5.9	6.4	784.4	909.9	329.2	449.6	127.9	103.7	327.3	356.6	8.
.4	42.7	8.4	10.6	0.9	0.9	—	1.0	19.1	30.2	195.8	248.5	18.5	36.5	142.0	214.0	14.9	10.0	352.7	472.5	167.8	245.7	67.9	80.9	117.0	145.9	9.
2.0	2.9	0.8	0.5	—	0.2	—	0.2	1.2	2.0	40.9	29.9	3.6	13.5	62.5	67.0	0.4	2.4	103.8	99.3	66.0	72.8	20.2	14.0	17.6	12.5	10.
9.7	158.7	27.6	36.3	7.8	19.4	1.2	3.7	53.1	99.3	831.8	981.5	154.9	189.6	837.8	1 116.4	42.7	35.2	1 712.3	2 133.1	1 000.0	1 327.4	300.4	229.9	411.9	575.8	11.
1.0	100.1	22.8	22.9	0.6	3.5	0.7	2.7	46.9	71.0	527.4	709.4	59.0	149.0	383.0	627.6	30.3	18.4	940.7	1 355.4	442.7	728.9	184.7	179.8	313.3	446.7	12.
3.4	9.5	1.1	1.6	—	0.2	—	3.2	2.3	4.5	71.1	96.6	7.5	12.0	98.9	97.5	1.3	0.4	171.3	194.5	106.4	104.9	42.3	53.1	22.6	36.5	13.
7.7	9.7	3.6	4.3	0.3	0.7	—	—	13.8	4.7	83.7	151.4	3.0	11.1	44.1	55.8	3.1	1.9	130.9	209.1	48.0	63.9	19.5	43.9	63.4	101.3	14.
9.9	75.8	38.1	16.0	3.1	5.0	—	3.0	48.7	51.8	787.8	836.8	106.7	191.1	457.5	634.6	4.4	4.8	1 249.7	1 476.2	548.3	796.8	272.3	247.9	429.1	431.5	15.
.8	118.6	10.3	82.4	—	0.2	—	1.4	21.5	34.6	117.9	495.0	33.2	247.6	171.5	396.0	23.1	60.9	312.5	951.9	199.0	563.8	24.5	67.5	89.0	320.6	16.
5.0	273.1	39.1	38.8	12.2	56.8	18.5	58.6	75.2	118.9	743.8	1 214.9	148.3	256.3	641.8	1 220.8	32.2	60.6	1 417.8	2 496.3	802.4	1 500.8	135.6	234.3	479.8	761.2	17.
9.0	159.8	47.4	22.6	3.2	9.6	2.4	5.9	156.0	121.7	1 366.0	1 387.9	270.4	382.9	872.6	1 341.2	29.7	56.0	2 268.3	2 785.1	1 138.2	1 737.2	297.3	325.3	832.8	722.6	18.
8.9	29.9	9.0	5.8	0.1	0.5	1.2	3.6	18.6	20.0	179.2	239.1	14.3	46.7	149.0	277.9	2.1	5.0	330.3	522.0	161.2	315.5	65.1	76.2	104.0	130.3	19.
9.2	132.0	25.7	23.3	2.9	10.3	0.4	10.4	90.2	88.0	936.4[e]	1 409.0[e]	261.3	579.9	630.4	1 145.7	13.2	21.4	1 580.0[f]	2 589.8[f]	872.5	1 689.6	153.1	176.0	554.4[e]	710.5[e]	20.
3.1	1 606.6	351.5	359.1	64.9	166.7	28.3	124.9	838.4	955.9	8 941.4	11 587.5	1 900.8	3 324.1	9 416.7	14 366.6	359.9	649.0	18777.3	26 744.7	11 354.1	17 692.3	2 115.5	2 184.2	5 248.4	6 726.6	TOTAL EXPORTS
3.6	409.8	38.4	48.5	178.2	117.2	—	—	167.0	244.1	1 269.0	1 315.4	523.9	537.5	809.4	1 265.0	0.8	2.7	2 079.2	2 583.1	1 139.5	1 590.5	171.1	96.1	767.8	788.8	1.
5.4	*267.4*	*26.0*	*34.3*	*156.6*	*95.9*	—	—	*92.8*	*137.2*	*757.5*	*632.1*	*167.1*	*155.6*	*511.0*	*685.3*	—	*2.3*	*1 268.5*	*1 319.7*	*690.9*	*806.2*	*131.6*	*51.8*	*445.8*	*447.9*	
3.7	*5.8*	*0.2*	*0.1*	*1.8*	*1.3*	—	—	*6.7*	*4.4*	*175.9*	*220.2*	*159.3*	*154.0*	*40.7*	*128.2*	—	—	*216.6*	*348.4*	*140.0*	*244.1*	*4.5*	*2.6*	*72.0*	*46.3*	
.3	*55.0*	*11.3*	*12.8*	*7.0*	*6.1*	—	—	*36.0*	*36.1*	*135.7*	*145.6*	*42.0*	*30.0*	*181.2*	*282.5*	*0.7*	*0.4*	*317.6*	*428.5*	*192.6*	*292.9*	*26.1*	*31.7*	*98.8*	*101.2*	
.9	78.2	13.3	3.1	48.0	61.1	—	—	13.6	14.0	697.8	586.4	447.1	332.6	301.9	564.2	—	—	999.7	1 150.6	731.5	884.3	86.2	63.2	181.9	133.7	2.
.8	179.0	2.2	2.6	14.1	141.7	—	—	35.5	34.7	501.1	725.4	335.0	424.4	265.1	343.9	—	0.3	766.2	1 069.6	493.1	766.1	90.6	75.8	182.4	204.0	3.
.6	*59.9*	*1.8*	*2.4*	*2.5*	*27.0*	—	—	*33.3*	*30.5*	*412.3*	*475.5*	*276.5*	*322.1*	*146.6*	*108.5*	—	*0.3*	*558.9*	*584.3*	*314.5*	*339.0*	*80.5*	*63.9*	*163.5*	*164.3*	
.2	147.5	4.8	9.0	59.1	101.5	—	—	27.3	37.0	194.6	320.8	91.5	101.9	139.7	487.0	—	2.8	334.3	810.6	249.1	651.3	11.7	56.0	73.4	99.6	4.
0.5	251.6	1.2	1.3	162.0	193.6	—	—	27.3	56.7	358.8	378.3	73.7	60.7	455.6	469.9	—	1.8	814.4	850.0	673.8	706.7	7.4	19.2	133.2	120.0	5.
3.1	11.1	0.5	0.3	1.3	3.9	—	—	6.3	6.9	108.4	140.6	83.6	95.0	12.9	14.4	—	—	121.3	155.0	64.2	82.2	10.6	6.4	46.3	39.6	6.
.7	74.5	0.4	1.0	25.8	62.3	—	—	8.5	11.2	183.2	314.9	108.9	160.1	94.7	217.4	—	1.1	277.9	533.4	201.5	391.9	30.3	45.0	44.5	71.1	7.
2.8	21.7	1.1	1.4	1.5	4.1	—	—	20.2	16.2	210.5	237.2	154.4	136.7	19.0	18.7	—	—	229.5	255.9	96.1	94.2	28.6	12.5	104.7	88.0	8.
9.4	23.4	1.1	1.2	3.5	6.6	—	—	14.8	15.6	130.5	147.0	67.3	89.8	21.5	32.2	—	—	152.0	179.2	65.2	90.6	32.3	16.8	54.5	60.6	9.
2.8	2.9	0.2	0.2	—	0.1	—	—	2.6	2.6	107.5	92.4	77.1	60.9	7.9	7.0	—	0.7	115.4	100.1	69.8	53.1	22.8	13.0	22.7	23.5	10.
.5	134.7	5.9	11.3	23.2	35.0	—	—	66.4	88.4	898.4	1 137.1	531.3	664.8	306.2	284.5	—	0.8	1 204.6	1 422.4	618.8	697.2	195.8	135.3	389.9	465.2	11.
.9	54.0	2.3	2.6	2.8	11.6	—	—	35.8	39.8	370.4	447.6	234.0	265.3	72.4	59.9	—	0.1	442.8	507.6	187.3	213.6	76.2	41.6	179.3	168.3	12.
.3	12.9	1.6	1.5	0.2	0.8	—	—	8.5	10.6	212.5	202.8	124.2	126.3	28.0	23.9	—	0.1	240.5	226.8	115.9	106.0	55.1	32.3	69.5	76.6	13.
.5	16.4	0.2	3.2	—	0.1	—	—	2.3	13.1	55.5	72.9	28.3	39.8	5.2	3.2	—	—	60.7	76.1	14.4	15.5	17.7	9.9	28.6	49.1	14.
.9	95.6	8.9	9.5	7.1	4.0	—	—	59.9	82.1	710.3	920.2	414.8	552.8	79.7	89.9	—	—	790.0	1 010.1	281.0	391.8	168.1	150.1	340.9	410.3	15.
.9	18.1	12.3	11.3	1.1	1.5	—	—	5.5	5.3	62.0	137.7	38.8	75.3	16.3	78.1	—	—	78.3	215.8	25.0	106.6	4.4	25.5	48.4	64.1	16.
.9	144.3	6.3	5.8	23.2	53.7	—	—	55.4	84.8	579.6	828.1	364.9	436.5	139.1	270.3	—	0.1	718.7	1 098.5	304.9	507.3	103.2	124.2	310.4	371.5	17.
.4	92.7	5.4	4.0	6.7	2.6	—	—	134.3	86.1	545.6	529.0	368.5	272.7	48.4	64.2	0.1	—	594.1	593.2	170.0	161.5	52.0	57.3	371.9	247.2	18.
.7	*39.7*	*1.1*	*0.4*	*0.2*	*0.1*	—	—	*73.4*	*39.2*	*223.0*	*167.7*	*141.6*	*104.0*	*7.5*	*2.7*	—	—	*230.5*	*170.4*	*54.4*	*37.3*	*19.9*	*13.2*	*156.2*	*89.2*	
.3	17.7	0.5	0.3	2.1	1.2	—	—	14.7	16.2	137.0	158.7	94.0	109.9	20.8	30.1	—	0.2	157.8	189.0	54.1	76.0	28.2	15.6	75.3	75.0	19.
.9	116.3	5.7	10.1	10.1	13.9	—	—	60.1	92.3	598.0	830.2	440.9	424.3	93.6	212.1	0.2	0.4	691.8	1 042.7	328.2	455.6	55.0	54.1	308.4	354.8	20.
	48.6	—	—	—	3.8	—	—	—	44.8	—	−131.2	—	724.2	—	131.2	—	—	—	—	—	595.4	—	56.2	—	415.2	
.3	1 951.0	112.3	128.2	570.0	820.3	—	—	766.0	1 002.5	7 930.7	9 391.5	4 602.2	5 691.5	2 937.4	4 667.1	1.1	11.1	10 868.2[j]	14 068.7[j]	5 883.4	8 637.4	1 247.3	1 106.1	3 734.0	4 326.2	TOTAL EXPORTS

In 1952, exports from the United Kingdom for groups 14 and 16 are included in group 15. [e] Excluding ships' stores. [f] Including ships' stores. [g] Excluding bunkers. [h] Including bunkers.

ed in area totals as " unspecified ". For the total of these exports the commodity breakdown is available and they have been included in " total world " and in " total overseas countries ". For further details see " Sources and methods ".

TABLE

Imports of selected European countries and the United

Millions of dollars

SITC section	Importing country and commodity group / Area of origin and period	North America		of which : United States		of which : Canada		Latin America		Overseas Sterling Area		of which : British overseas territories		of which : Union of South Africa		of which : Other in Africa		of which : Other in Asia		of which : Other in Oceania		Affiliated overseas territories [a]	
		1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956
	UNITED KINGDOM																						
0.	Food	447.2	605.9	160.9	261.8	286.3	344.1	224.7	360.7	1 334.4	1 633.3	333.3	377.5	74.0	132.8	1.7	17.6	285.9	329.0	639.5	776.4	37.3	20.5
	of which : Cereals	*337.3*	*464.9*	*98.9*	*171.5*	*238.4*	*293.4*	*17.3*	*38.2*	*98.9*	*100.9*	*4.7*	*2.4*	*0.9*	*29.5*	*0.1*	*0.9*	*26.0*	*3.1*	*67.2*	*65.0*	*13.4*	*1.6*
	Fruit and vegetables	*16.0*	*47.2*	*12.0*	*41.1*	*4.0*	*6.1*	*8.2*	*20.5*	*209.6*	*271.2*	*72.4*	*117.0*	*55.6*	*73.0*	*0.5*	*1.0*	*25.2*	*13.3*	*55.9*	*66.9*	*9.1*	*5.2*
	Coffee, cocoa, tea, spices	*0.2*	*1.0*	*0.2*	*0.4*	—	*0.6*	*17.4*	*19.0*	*351.7*	*390.1*	*126.0*	*89.8*	—	*0.6*	—	*7.6*	*225.1*	*290.9*	*0.6*	*1.2*	*11.1*	*8.0*
1.	Drink and tobacco	66.8	132.2	46.5	118.0	20.3	14.2	0.6	1.5	86.4	90.8	15.1	8.8	2.9	2.3	45.8	55.3	21.4	22.9	1.2	1.5	—	—
2.	Crude materials	406.7	507.7	137.3	240.9	269.4	266.8	130.4	196.1	1 097.8	1 094.1	479.2	468.5	66.6	101.4	27.2	36.7	119.0	115.2	405.8	372.3	101.9	97.7
	of which : Oil-seeds	*5.1*	*29.8*	*2.4*	*2.6*	*2.7*	*27.2*	*1.9*	*0.2*	*186.3*	*131.4*	*170.8*	*116.1*	*0.3*	*4.3*	—	*1.8*	*1.9*	*2.4*	*13.3*	*6.8*	*0.6*	*0.8*
	Wool	*2.4*	*13.2*	*1.4*	*11.8*	*1.0*	*1.4*	*40.3*	*50.3*	*415.7*	*395.0*	*2.8*	*3.4*	*49.4*	*47.3*	*0.1*	*0.5*	*14.5*	*17.6*	*348.9*	*326.2*	*0.1*	*0.5*
	Cotton	*69.3*	*89.1*	*69.2*	*88.7*	*0.1*	*0.4*	*25.8*	*56.7*	*57.2*	*52.4*	*38.6*	*33.9*	*0.1*	*0.9*	—	—	*18.5*	*17.6*	—	—	*5.6*	*2.7*
3.	Fuels	102.3	162.5	101.4	158.2	0.9	4.3	33.2	107.4	489.5	561.2	385.9	496.2	—	—	—	—	103.6	65.0	—	—	87.3	83.7
4.	Fats and oils	6.6	10.7	5.8	4.4	0.8	6.3	27.4	7.0	129.7	109.7	97.2	67.3	2.3	4.0	—	0.3	16.1	25.5	14.1	12.6	11.7	0.5
5.	Chemicals	60.3	83.5	40.1	61.5	20.2	22.0	4.1	7.0	24.8	24.6	9.6	8.4	6.3	7.0	0.2	0.7	4.9	4.0	3.8	4.5	0.9	3.6
6.	Manufactures classified chiefly by material [c]	459.8	410.7	204.5	114.0	255.3	296.7	10.7	77.4	329.5	396.2	14.4	30.6	3.4	7.3	172.1	217.4	77.8	91.6	61.8	49.3	2.6	12.7
7.	Machinery and transport equipment	201.9	171.4	189.3	159.4	12.6	12.0	0.5	2.1	11.9	18.9	5.3	8.7	1.9	1.8	0.6	0.7	2.3	2.4	1.8	5.3	0.2	0.5
8-9.	Other manufactures	23.3	35.3	17.7	28.5	5.6	6.8	0.1	0.2	17.9	46.8	9.0	38.2	2.4	2.2	0.4	0.3	2.2	3.2	3.9	2.9	0.2	0.1
	TOTAL IMPORTS	1 774.9	2 119.9	903.5	1 146.7	871.4	973.2	431.7	759.4	3 521.9	3 975.6	1 349.0	1 504.2	159.8	258.8	248.0	329.0	633.2	658.8	1 131.9	1 224.8	242.1	219.3
	FRANCE																						
0.	Food	62.9	104.8	43.1	93.2	19.8	11.6	132.2	108.9	16.1	22.2	7.6	6.3	2.6	5.6	0.1	—	3.3	3.0	2.5	7.3	423.5	575.4
	of which : Cereals	*51.4*	*94.8*	*34.5*	*83.7*	*16.9*	*11.1*	*31.8*	*27.4*	*1.2*	*5.9*	*0.3*	—	*0.7*	*1.7*	—	—	*0.2*	*0.1*	—	*4.1*	*52.3*	*76.7*
	Fruit and vegetables	*3.0*	*5.3*	*3.0*	*5.3*	—	—	*2.1*	*5.7*	*1.7*	*5.5*	*0.5*	*0.7*	*0.8*	*3.4*	—	—	*0.3*	*0.4*	*0.1*	*1.0*	*150.2*	*256.2*
	Coffee, cocoa, tea, spices	—	—	—	—	—	—	*71.0*	*52.6*	*10.2*	*8.5*	*7.0*	*5.3*	—	—	—	—	*2.7*	*2.5*	*0.5*	*0.7*	*159.9*	*146.5*
1.	Drink and tobacco	6.4	7.3	6.3	7.3	0.1	—	2.8	2.5	0.2	0.5	—	—	—	—	—	0.3	0.2	0.2	—	—	211.4	232.5
2.	Crude materials	108.1	173.9	78.5	135.7	29.6	38.2	69.1	87.0	300.2	414.7	55.7	75.2	27.3	49.6	0.1	1.5	45.5	54.6	171.6	233.8	221.2	316.8
	of which : Oil-seeds	*4.7*	*22.8*	*3.1*	*16.7*	*1.6*	*6.1*	*5.7*	*0.3*	*7.7*	*11.7*	*1.5*	*6.5*	—	*0.1*	—	*0.6*	*0.4*	—	*5.8*	*4.5*	*74.6*	*116.2*
	Wool	*0.2*	*1.1*	*0.2*	*1.1*	—	—	*9.3*	*28.3*	*171.2*	*233.3*	*0.8*	*0.6*	*22.6*	*36.5*	—	—	*1.3*	*2.8*	*146.5*	*193.4*	*3.7*	*6.6*
	Cotton	*50.6*	*54.2*	*50.6*	*54.2*	—	—	*35.9*	*26.7*	*16.4*	*15.6*	*1.2*	*1.5*	*0.2*	—	—	—	*15.0*	*14.1*	—	—	*25.4*	*41.1*
3.	Fuels	98.7	133.1	98.7	133.1	—	—	42.2	25.2	304.1	421.0	175.1	212.1	0.5	0.4	—	—	128.5	208.5	—	—	3.8	14.5
4.	Fats and oils	0.6	0.9	0.6	0.9	—	—	3.9	6.5	1.4	0.8	0.2	0.5	—	0.1	0.1	—	0.9	0.2	0.2	—	51.6	75.0
5.	Chemicals	34.7	54.7	33.0	51.4	1.7	3.3	4.6	4.6	1.2	2.2	0.3	0.7	0.2	0.2	0.1	—	0.4	0.9	0.2	0.4	6.9	23.1
6.	Manufactures classified chiefly by material [c]	79.2	100.7	69.3	87.2	9.9	13.5	15.9	5.0	19.8	28.7	13.6	7.8	2.4	2.5	0.2	12.6	3.4	5.6	0.2	0.2	81.5	95.8
7.	Machinery and transport equipment	132.8	160.7	124.2	158.6	8.6	2.1	0.7	—	0.1	—	0.1	—	—	—	—	—	—	—	—	—	2.1	1.6
8-9.	Other manufactures	8.8	13.3	8.7	13.2	0.1	0.1	0.1	0.1	0.2	1.1	0.2	1.0	—	—	—	—	—	0.1	—	—	2.7	3.8
	TOTAL IMPORTS	532.2	749.4	462.4	680.6	69.8	68.8	271.5	239.8	643.3	891.2	252.8	303.6	33.0	58.4	0.6	14.4	182.2	273.1	174.7	241.7	1 004.7	1 338.5
	WESTERN GERMANY																						
0.	Food	259.4	250.5	168.0	170.7	91.4	79.8	149.9	385.4	94.5	172.4	60.1	68.9	6.0	23.6	0.1	0.2	13.0	24.0	15.3	55.7	37.3	47.3
	of which : Cereals	*200.7*	*182.0*	*120.7*	*104.4*	*80.0*	*77.6*	*39.6*	*87.9*	*20.7*	*59.5*	*5.7*	*0.3*	*3.2*	*17.2*	—	—	*3.9*	*5.4*	*7.9*	*36.6*	*11.7*	*10.0*
	Fruit and vegetables	*7.3*	*36.3*	*7.3*	*36.1*	—	*0.2*	*19.4*	*48.0*	*7.3*	*16.9*	*1.7*	*2.6*	*1.5*	*5.4*	—	*0.2*	*3.1*	*5.8*	*1.0*	*2.9*	*8.1*	*8.0*
	Coffee, cocoa, tea, spices	*0.1*	*1.8*	*0.1*	*1.1*	—	*0.7*	*68.4*	*180.9*	*55.7*	*75.7*	*51.3*	*65.6*	—	—	—	—	*4.3*	*9.7*	*0.1*	*0.4*	*12.5*	*16.1*
1.	Drink and tobacco	31.5	40.0	31.4	39.6	0.1	0.4	6.1	6.7	1.6	1.8	0.6	0.5	0.2	0.3	0.6	0.9	0.2	0.1	—	—	0.1	0.3
2.	Crude materials	131.2	270.0	111.0	212.5	20.2	57.5	76.9	219.5	199.3	361.8	82.1	148.1	21.3	42.8	5.1	13.5	42.5	57.6	48.3	99.8	82.0	98.6
	of which : Oil-seeds	*4.1*	*48.4*	*4.1*	*47.7*	—	*0.7*	*4.9*	*4.3*	*8.3*	*24.8*	*7.5*	*17.8*	—	*1.4*	—	*1.5*	*0.8*	*0.2*	—	*3.9*	*19.5*	*5.6*
	Wool	*0.4*	*2.2*	*0.4*	*1.9*	—	*0.3*	*10.3*	*26.3*	*62.4*	*118.2*	*0.3*	*0.3*	*17.4*	*29.9*	—	*0.3*	*1.2*	*2.6*	*43.5*	*85.1*	—	*0.2*
	Cotton	*71.5*	*49.4*	*71.5*	*49.4*	—	—	*22.6*	*107.4*	*15.1*	*23.2*	*7.9*	*15.3*	—	—	—	—	*7.2*	*7.9*	—	—	*10.6*	*8.0*
3.	Fuels	153.3	239.8	153.3	239.6	—	0.2	22.4	37.2	41.1	88.4	11.3	34.0	—	—	—	—	29.8	54.4	—	—	0.6	43.0
4.	Fats and oils	9.3	71.6	9.3	65.9	—	5.7	6.6	7.0	17.8	15.2	3.6	7.2	4.3	1.9	—	—	9.2	4.9	0.7	1.2	11.3	11.3
5.	Chemicals	17.3	47.8	17.1	45.5	0.2	2.3	2.3	7.5	1.0	1.9	0.3	0.2	0.1	0.2	—	—	0.3	0.6	0.3	0.9	0.1	0.4
6.	Manufactures classified chiefly by material [c]	54.7	102.8	50.8	93.6	3.9	9.2	31.8	101.3	18.5	38.8	6.1	4.4	0.2	2.4	6.1	21.1	5.2	9.3	0.9	1.6	0.3	1.1
7.	Machinery and transport equipment	18.5	73.4	18.5	69.5	—	3.9	2.3	0.5	0.1	0.1	—	—	—	—	—	—	—	0.1	0.1	—	—	—
8-9.	Other manufactures	3.4	15.9	3.2	15.4	0.2	0.5	—	1.6	—	3.0	—	1.7	—	0.2	—	—	—	0.9	—	0.2	0.2	0.8
	TOTAL IMPORTS	678.6	1 111.8	562.6	952.3	116.0	159.5	298.0	766.7	373.9	683.4	164.1	265.0	32.1	71.4	11.9	35.7	100.2	151.9	65.6	159.4	131.9	202.8

Sources and methods : See Appendix B.

NOTE. — *Highly industrialized countries :* eastern Europe, Japan, North America, western Europe ; *semi-industrialized countries :* non-dollar Latin America, Oceania, Union of South Africa;

es by main commodity groups and by areas of origin

56 prices

OTHER VERSEAS OUNTRIES		of which :								TOTAL OVERSEAS COUNTRIES b		of which : DOLLAR AREA		WESTERN EUROPE		EASTERN EUROPE		TOTAL WORLD		of which :						Group
		IN AFRICA		JAPAN		CHINA		OTHER IN ASIA												HIGHLY INDUSTRIALIZED COUNTRIES		SEMI-INDUSTRIALIZED COUNTRIES		NON-INDUSTRIALIZED COUNTRIES b		
2	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	
.9	95.6	9.7	13.7	2.0	38.5	11.1	6.5	46.1	36.9	2 120.3	2 723.9	724.5	688.4	858.7	973.8	134.8	55.8	3 113.8	3 753.5	1 442.7	1 674.0	822.5	1 187.4	848.6	892.1	0.
.8	3.0	2.1	0.2	—	—	1.6	—	10.1	2.8	480.7	608.6	337.4	464.9	34.3	38.5	86.0	4.7	601.0	651.8	457.6	508.1	85.4	132.7	58.0	11.0	
.4	50.3	4.4	7.0	1.8	16.1	0.4	0.7	17.8	26.5	267.3	394.4	16.0	47.2	210.3	264.9	2.1	3.6	479.7	662.9	230.2	331.8	119.7	160.4	129.8	170.7	
.5	7.0	—	0.8	—	0.7	—	0.8	8.5	4.7	388.9	425.1	18.5	7.1	42.9	38.6	1.6	0.2	433.4	463.9	44.7	40.5	15.8	14.7	372.9	408.7	
.5	0.5	—	—	—	—	—	—	0.5	0.5	154.3	225.0	67.4	133.6	62.1	85.6	—	0.1	216.4	310.7	128.9	217.9	4.2	3.9	83.3	88.9	1.
.1	162.4	131.6	87.9	10.7	9.3	1.3	16.8	50.5	48.4	1 930.9	2 058.3	402.7	584.2	554.1	729.0	44.7	141.7	2 529.7	2 929.0	1 016.2	1 387.7	557.3	605.3	956.2	936.0	2.
.3	5.7	11.5	4.5	—	—	0.7	0.2	4.1	1.0	210.2	167.9	5.1	29.8	3.0	2.1	—	0.6	213.2	170.6	8.1	32.5	15.5	11.3	189.6	126.8	
.3	11.1	—	—	0.1	—	—	10.1	0.2	1.0	458.8	470.1	2.4	13.3	28.2	49.9	1.5	5.2	488.5	525.2	32.2	68.3	438.5	423.8	17.8	33.1	
.4	71.8	73.2	63.9	0.1	—	0.2	0.8	11.9	7.1	243.3	272.7	75.6	105.3	7.5	11.7	0.3	7.9	251.1	292.3	77.2	108.7	19.5	41.3	154.4	142.3	
.6	98.9	—	—	—	—	—	—	86.6	98.9	798.9	1 013.7	122.9	264.3	44.1	122.5	0.1	22.0	843.1	1 158.2	146.5	307.0	5.0	5.5	691.6	845.7	3.
.1	3.6	0.1	0.3	—	0.2	0.3	3.0	2.7	0.1	181.8	150.8	7.2	10.9	15.4	9.8	—	—	197.2	160.6	22.0	20.7	43.2	23.4	132 0	116.5	4.
.5	8.2	0.2	0.2	1.6	2.3	0.1	4.5	0.6	1.2	92.6	126.9	55.3	84.3	101.9	167.2	6.8	6.8	201.3	300.9	170.6	259.8	14.1	17.8	16.6	23.3	5.
.4	34.0	0.1	0.5	62.6	15.9	0.8	4.3	3.9	13.3	870.2	931.1	420.5	413.9	576.6	606.1	16.0	45.3	1 462.8	1 582.5	1 115.0	1 078.0	74.1	130.8	273.7	373.7	6.
.2	4.0	1.4	0.9	0.4	0.1	—	—	1.4	3.0	217.7	196.9	197.3	172.0	224.1	264.8	0.7	1.8	442.5	463.5	427.1	438.1	4.1	8.6	11.3	16.8	7.
.3	2.3	0.9	0.4	—	1.4	0.1	0.1	0.3	0.4	42.8	84.8	22.7	35.4	90.1	142.4	2.8	3.7	135.7	230.9	116.2	182.8	6.4	5.3	13.1	42.8	8-9.
.6	409.5	144.0	103.9	77.3	67.7	13.7	35.2	192.6	202.7	6 409.5	7 511.4	2 020.5	2 387.0	2 527.1	3 101.2	205.9	277.2	9 142.5	10 889.8	4 585.2	5 566.0	1 530.9	1 988.0	3 026.4	3 335.8	TOTAL IMPORTS
.8	26.2	6.2	4.3	—	0.5	0.4	0.9	11.2	20.5	652.5	837.5	114.6	126.0	154.4	247.4	9.6	10.2	816.5	1 095.1	226.9	362.9	111.0	100.6	478.6	631.6	0.
.2	9.0	2.8	0.1	—	—	—	—	2.4	8.9	141.9	214.4	51.5	94.8	25.6	30.5	—	1.6	167.5	246.5	77.0	126.9	32.4	33.2	58.1	86.4	
.9	10.0	2.1	3.3	—	—	—	0.3	1.8	6.4	160.9	282.7	3.0	5.3	62.1	83.8	1.1	1.7	224.1	368.2	66.2	90.8	3.0	10.1	154.9	267.3	
.0	5.3	0.5	0.8	—	0.1	—	0.2	4.5	4.2	246.1	212.9	3.8	1.2	0.9	1.5	—	—	247.0	214.4	0.9	1.6	67.7	41.4	178.4	171.4	
.6	1.5	—	—	—	—	—	—	0.6	1.5	221.4	244.3	8.0	9.2	18.6	24.6	0.4	1.1	240.4	270.0	25.4	33.0	1.2	0.8	213.8	236.2	1.
.2	147.7	59.3	42.3	5.2	6.3	2.7	9.2	73.0	89.9	838.8	1 140.1	133.4	191.6	213.8	300.4	8.2	32.4	1 060.8	1 472.9	335.3	513.0	244.2	353.8	481.3	606.1	2.
.4	7.9	0.7	1.4	—	—	0.2	2.2	7.5	4.3	101.1	158.9	8.3	22.8	0.9	1.9	0.1	0.1	102.1	160.9	5.7	24.8	9.8	4.9	86.6	131.2	
.1	2.0	—	—	—	0.1	—	1.7	0.1	0.2	184.5	271.3	0.2	1.2	10.2	21.0	0.1	0.1	194.8	292.4	10.5	22.3	178.3	258.2	6.0	11.9	
.5	66.2	39.6	35.8	—	—	—	0.1	13.9	30.3	181.8	203.8	68.4	64.5	15.4	21.9	0.1	5.7	197.3	231.4	66.1	81.8	18.2	16.4	113.0	133.2	
.4	106.7	—	—	—	—	—	—	148.4	106.7	597.2	700.5	131.9	158.3	209.1	240.3	29.0	56.2	835.3	997.0	336.8	429.6	0.5	0.4	498.0	567.0	3.
.3	2.0	—	—	0.4	0.3	0.7	0.6	0.2	1.1	58.8	85.2	0.8	1.0	7.9	12.2	—	—	66.7	97.4	8.9	13.4	3.9	6.5	53.9	77.5	4.
.5	4.0	—	0.1	0.4	1.0	0.8	2.5	0.3	0.4	48.9	88.6	31.6	55.1	68.7	139.6	3.6	1.7	121.2	229.9	107.4	197.0	4.7	4.8	9.1	28.1	5.
.7	12.3	0.5	0.3	19.7	3.3	0.4	1.2	10.1	7.5	227.1	242.5	72.9	102.6	228.2	439.6	1.6	9.0	456.9	691.1	328.7	552.6	14.8	5.8	113.4	132.7	6.
.8	—	—	—	1.8	—	—	—	1.0	—	138.5	162.3	130.8	160.7	272.5	416.6	2.1	2.9	413.1	581.8	409.2	580.2	—	—	3.9	1.6	7.
.3	0.9	0.1	0.1	—	0.3	0.1	0.3	0.1	0.2	12.5	19.2	8.4	13.3	47.1	97.3	0.9	1.5	60.5	118.0	56.8	112.3	0.1	0.1	3.6	5.6	8-9.
.6	301.3	66.1	47.1	27.5	11.7	5.1	14.7	244.9	227.8	2 795.7	3 520.2	632.4	817.8	1 220.3	1 918.0	55.4	115.0	4 071.4	5 553.2	1 835.4	2 794.0	380.4	472.8	1 855.6	2 286.4	TOTAL IMPORTS
										b	b															
.3	71.4	2.4	8.6	2.0	4.0	4.4	19.1	19.5	39.7	569.1	933.6	398.5	417.9	489.8	747.0	31.2	64.7	1 090.1	1 745.3	782.4	1 066.2	119.7	298.6	188.0	380.5	0.
.3	11.0	0.5	2.2	1.4	—	—	0.1	4.4	8.7	279.0	350.4	201.3	181.9	93.0	85.4	13.7	15.7	385.7	451.5	308.8	283.1	50.0	141.7	26.9	26.7	
.0	24.6	1.4	4.4	0.1	1.0	1.0	1.2	4.5	18.0	49.5	133.8	19.9	75.6	181.0	278.7	2.7	8.4	233.2	420.9	191.1	324.4	9.3	17.0	32.8	79.5	
.3	5.7	0.1	0.1	—	—	—	0.5	6.2	5.1	143.0	280.2	25.5	105.4	12.7	12.4	0.2	0.5	155.9	293.1	13.0	14.7	43.2	77.7	99.7	200.7	
.2	9.3	—	—	0.4	0.1	—	—	6.8	9.2	46.5	58.1	33.6	43.1	38.4	80.0	0.7	3.8	85.6	141.9	71.0	123.9	4.2	3.9	10.4	14.1	1.
.3	195.1	37.5	59.1	1.8	3.0	7.7	24.8	63.3	108.2	599.7	1 145.0	154.6	424.0	470.8	708.1	10.9	59.4	1 081.4	1 912.5	614.7	1 040.5	125.9	258.8	340.8	613.2	2.
.6	62.3	3.8	4.1	—	—	5.5	12.8	20.3	45.4	66.4	145.4	6.5	91.2	9.8	4.3	1.2	1.1	77.4	150.8	15.1	53.8	4.4	7.3	57.9	89.7	
.4	3.8	0.1	0.1	—	0.1	—	2.6	0.3	1.0	73.5	150.7	0.4	2.1	41.0	53.9	—	0.6	114.5	205.2	41.4	56.8	71.1	141.3	2.0	7.1	
.0	35.1	20.2	29.3	—	—	—	0.3	4.8	5.5	144.8	223.1	83.0	130.2	25.7	9.9	—	7.9	170.5	240.9	97.2	67.2	10.9	26.7	62.4	147.0	
.1	77.5	—	—	—	—	—	—	30.1	77.5	247.5	485.9	166.6	276.9	69.1	189.5	4.7	39.1	321.3	714.5	227.1	468.4	—	0.1	94.2	246.0	3.
.6	17.5	0.2	0.2	0.8	3.9	2.2	3.8	6.4	9.6	54.6	124.7	9.9	74.3	71.3	44.5	0.2	1.3	126.1	170.5	81.6	121.3	11.4	9.7	33.1	39.5	4.
.4	7.0	—	0.1	0.8	3.2	1.2	2.5	0.4	1.2	23.1	64.6	16.1	49.4	56.4	115.0	1.1	7.6	80.6	187.2	75.6	173.6	2.2	7.0	2.8	6.6	5.
.2	33.2	0.2	0.7	13.9	12.9	0.6	2.4	1.5	17.2	121.5	277.2	63.5	124.5	391.3	950.0	0.9	30.2	513.7	1 257.4	460.8	1 095.9	16.8	83.7	36.1	77.8	6.
.2	3.4	—	2.7	—	0.6	—	—	0.2	0.1	21.1	77.4	20.4	76.6	114.1	250 0	0.4	4.0	135.6	331.4	133.0	328.0	0.2	—	2.4	3.4	7.
.9	2.2	—	0.2	0.4	1.0	0.4	0.5	0.1	0.5	4.5	24.1	3.3	16.7	62.6	129.5	0.5	2.1	67.6	155.7	66.9	148.5	—	1.1	0.7	6.1	8-9.
.2	416.6	40.3	71.6	20.1	28.7	16.5	53.1	128.3	263.2	1 687.6	3 190.6	866.5	1 503.4	1 763.8	3 213.6	50.6	212.2	3 502.0	6 616.4	2 513.1	4 566.3	280.4	662.9	708.5	1 387.2	TOTAL IMPORTS

ndustrialized countries : obtained by difference.

[a] Excluding the sterling area.

[b] Including unallocated imports.

[c] Metals; manufactures of metals, wood, rubber and leather; paper, textiles.

TABL

Imports of selected European countries and the Unite

Millions of dolla

SITC section — Importing country and commodity group / Area of origin and period	North America		of which: United States		of which: Canada		Latin America		Overseas Sterling Area		of which: British overseas territories		of which: Union of South Africa		of which: Other in Africa		of which: Other in Asia		of which: Other in Oceania		Affiliated overseas territories	
	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	195
SIX SELECTED EUROPEAN COUNTRIES COMBINED [c]																						
0. Food	425.6	441.8	291.3	364.4	134.3	77.4	328.6	463.1	105.7	155.7	44.1	65.9	5.6	28.6	0.8	2.4	13.7	31.5	41.5	27.3	61.9	96.4
of which: Cereals	*304.5*	*318.8*	*191.7*	*247.8*	*112.8*	*71.0*	*26.6*	*100.2*	*29.3*	*46.5*	*0.9*	*7.4*	*0.3*	*18.8*	—	*0.9*	*1.2*	*10.1*	*26.9*	*9.3*	*5.3*	*17.3*
Fruit and vegetables	*27.1*	*59.3*	*26.9*	*59.1*	*0.2*	*0.2*	*13.3*	*24.8*	*11.5*	*20.0*	*1.1*	*2.4*	*4.1*	*8.6*	*0.3*	—	*2.6*	*3.7*	*3.4*	*5.3*	*7.6*	*7.9*
Coffee, cocoa, tea, spices	*6.0*	*3.6*	*6.0*	*3.6*	—	—	*231.9*	*261.7*	*50.0*	*67.3*	*41.5*	*54.7*	—	*0.1*	—	*0.1*	*8.4*	*12.4*	*0.1*	—	*45.2*	*58.1*
1. Drink and tobacco	37.2	51.1	37.0	50.3	0.2	0.8	7.0	11.7	5.9	6.1	1.3	0.5	0.7	0.5	2.2	3.8	1.7	1.3	—	—	1.0	0.8
2. Crude materials	317.4	408.4	284.5	354.4	32.9	54.0	89.2	166.0	372.5	503.4	73.6	153.5	43.9	52.4	7.8	27.8	72.4	74.5	174.8	195.2	139.7	152.4
of which: Oil-seeds	*26.8*	*69.4*	*16.4*	*54.9*	*10.4*	*14.5*	*7.4*	*2.6*	*10.9*	*53.2*	*6.5*	*45.1*	*0.2*	*5.0*	*0.2*	*1.6*	*3.1*	*1.1*	*0.9*	*0.4*	*4.9*	*6.3*
Wool	*0.3*	*6.4*	*0.3*	*6.4*	—	—	*20.5*	*42.7*	*181.1*	*202.3*	*0.3*	*0.3*	*28.5*	*27.5*	*0.6*	*0.8*	*0.7*	*2.1*	*151.0*	*171.6*	*0.5*	*1.5*
Cotton	*187.9*	*109.9*	*187.8*	*109.8*	*0.1*	*0.1*	*26.6*	*75.5*	*18.9*	*17.9*	*1.3*	*2.0*	—	*0.1*	*8.3*	—	*9.3*	*15.8*	—	—	*9.8*	*13.4*
3. Fuels	249.9	342.3	249.2	341.4	0.7	0.9	87.0	203.1	233.3	469.7	154.6	277.4	0.2	1.7	2.7	—	75.8	190.6	—	—	98.9	71.8
4. Fats and oils	30.9	56.7	29.7	56.4	1.2	0.3	6.3	7.9	19.2	30.5	2.7	8.1	1.4	2.6	0.3	1.3	12.2	16.6	2.6	1.9	13.7	31.2
5. Chemicals	78.8	135.7	73.3	125.9	5.5	9.8	3.9	6.5	4.6	8.3	1.6	3.6	1.6	2.0	0.3	0.1	0.7	1.4	0.4	1.2	0.9	1.2
6. Manufactures classified chiefly by material [d]	211.2	242.9	170.1	187.8	41.1	55.1	38.9	43.0	74.4	93.4	34.5	12.8	7.0	37.5	19.1	27.8	12.5	14.0	1.3	1.3	132.3	178.1
7. Machinery and transport equipment	326.7	403.2	317.5	398.9	9.2	4.3	2.5	8.2	0.8	2.1	0.2	0.7	—	0.4	0.1	0.2	0.4	0.4	0.1	0.4	0.8	1.3
8-9. Other manufactures	28.6	46.0	28.2	45.4	0.4	0.6	0.1	0.5	1.4	4.3	0.6	3.1	—	0.2	0.1	—	0.5	0.5	0.2	0.5	0.4	0.7
TOTAL IMPORTS	1 706.3	2 128.1	1 480.8	1 924.9	225.5	203.2	563.5	910 0	817.8	1 273.5	313.2	525.6	60.4	125.9	33.4	63.4	189.9	330.8	220.9	227.8	449.6	533.9
NINE SELECTED EUROPEAN COUNTRIES COMBINED [e]																						
0. Food	1 195.1	1 403.0	663.3	890.1	531.8	512.9	835.1	1 318.1	1 550.7	1 983.6	445.1	518.6	88.2	190.6	2.7	20.2	315.9	387.5	698.8	866.7	560.0	739
of which: Cereals	*893.9*	*1.060.5*	*445.8*	*607.4*	*448.1*	*453.1*	*115.3*	*253.7*	*150.1*	*212.9*	*11.6*	*10.1*	*5.1*	*67.2*	*0.1*	*1.9*	*31.3*	*18.7*	*102.0*	*115.0*	*82.7*	*105*
Fruit and vegetables	*53.4*	*148.1*	*49.2*	*141.6*	*4.2*	*6.5*	*43.0*	*99.0*	*230.1*	*313.6*	*75.7*	*122.7*	*62.0*	*90.4*	*0.8*	*1.2*	*31.2*	*23.2*	*60.4*	*76.1*	*175.0*	*277*
Coffee, cocoa, tea, spices	*6.3*	*6.4*	*6.3*	*5.1*	—	*1.3*	*388.7*	*514.2*	*467.6*	*541.6*	*225.8*	*215.4*	—	*0.7*	—	*7.7*	*240.5*	*315.5*	*1.3*	*2.3*	*228.7*	*228*
1. Drink and tobacco	141.9	230.6	121.2	215.2	20.7	15.4	16.5	22.4	94.1	99.2	17.0	9.8	3.8	3.1	48.6	60.3	23.5	24.5	1.2	1.5	312.5	233
2. Crude materials	963.4	1 360.0	611.3	943.5	352.1	416.5	365.6	668.6	1 969.8	2 374.0	690.6	845.3	159.1	246.2	40.2	79.5	279.4	301.9	800.5	901.1	544.8	665
of which: Oil-seeds	*40.7*	*170.5*	*26.0*	*122.0*	*14.7*	*48.5*	*19.9*	*7.4*	*213.2*	*221.1*	*186.3*	*185.5*	*0.5*	*10.8*	*0.2*	*5.5*	*6.2*	*3.7*	*20.0*	*15.6*	*99.6*	*128*
Wool	*3.3*	*22.9*	*2.3*	*21.2*	*1.0*	*1.7*	*80.4*	*147.6*	*830.4*	*948.8*	*4.2*	*4.6*	*117.9*	*141.2*	*0.7*	*1.6*	*17.7*	*25.1*	*689.9*	*776.3*	*4.3*	*8*
Cotton	*379.3*	*302.6*	*379.1*	*302.1*	*0.2*	*0.5*	*110.9*	*266.3*	*107.6*	*109.1*	*49.0*	*52.7*	*0.2*	*1.0*	*8.3*	—	*50.1*	*55.4*	—	—	*51.4*	*65*
3. Fuels	604.2	877.7	602.6	872.3	1.6	5.4	184.8	372.9	1 068.0	1 540.3	726.9	1 019.7	0.7	2.1	2.7	—	337.7	518.5	—	—	190.6	213
4. Fats and oils	47.4	139.9	45.4	127.6	2.0	12.3	44.2	28.4	168.1	156.2	103.7	83.1	8.0	8.6	0.4	1.6	38.4	47.2	17.6	15.7	88.3	118
5. Chemicals	191.1	321.7	163.5	284.3	27.6	37.4	14.9	25.6	31.6	37.0	11.8	12.9	8.2	9.4	0.6	0.8	6.3	6.9	4.7	7.0	8.8	28
6. Manufactures classified chiefly by material [d]	804.9	857.1	494.7	482.6	310.2	374.5	97.3	226.7	442.0	557.1	68.4	55.6	13.0	49.7	197.5	278.9	98.9	120.5	64.2	52.4	216.7	287
7. Machinery and transport equipment	679.9	808.7	649.5	786.4	30.4	22.3	6.0	10.8	12.9	21.1	5.6	9.4	1.9	2.2	0.7	0.9	2.7	2.9	2.0	5.7	3.1	3
8-9. Other manufactures	64.1	110.5	57.8	102.5	6.3	8.0	0.3	2.4	19.5	55.2	9.8	44.0	2.4	2.6	0.5	0.3	2.7	4.7	4.1	3.6	3.5	5
TOTAL IMPORTS	4 692.0	6 109.2	3 409.3	4 704.5	1 282.7	1 404.7	1 564.7	2 675.9	5 356.7	6 823.7	2 078.9	2 598.4	285.3	514.5	293.9	442.5	1 105.5	1 414.6	1 593.1	1 853.7	1 828.3	2 294
UNITED STATES																						
0. Food	333.2	240.6	0.6	0.3	332.6	240.3	1 928.1	1 956.4	228.3	204.6	110.8	105.5	8.1	7.8	0.1	0.1	82.8	74.2	26.5	17.0	74.0	107
of which: Cereals	*143.9*	*72.3*	—	—	*143.9*	*72.3*	*2.6*	*2.6*	*0.1*	*0.2*	*0.1*	*0.2*	—	—	—	—	—	—	—	—	—	
Fruit and vegetables	*24.6*	*18.0*	—	—	*24.6*	*18.0*	*100.2*	*111.6*	*25.3*	*29.7*	*2.2*	*2.4*	—	*0.2*	*0.1*	—	*22.8*	*26.9*	*0.2*	*0.2*	*1.4*	*2*
Coffee, cocoa, tea, spices	*0.4*	*0.7*	*0.2*	*0.2*	*0.2*	*0.5*	*1 361.2*	*1 383.6*	*168.8*	*145.4*	*106.5*	*99.2*	—	—	—	*0.1*	*61.6*	*45.5*	*0.7*	*0.6*	*69.8*	*103*
1. Drink and tobacco	46.3	68.1	—	—	46.3	68.1	28.9	29.8	1.3	1.1	0.9	1.1	—	—	0.4	—	—	—	—	—	—	
2. Crude materials	670.4	905.7	1.4	0.1	669.0	905.6	512.6	491.8	711.3	537.0	309.0	203.9	73.0	71.7	9.0	15.4	127.8	114.4	192.5	131.6	80.8	8
of which: Oil-seeds	*1.8*	*2.4*	*0.3*	—	*1.5*	*2.4*	*9.6*	*4.4*	*1.3*	*0.1*	*0.3*	—	—	—	*0.1*	—	*0.9*	*0.1*	—	—	*0.4*	
Wool	*3.0*	*1.7*	—	—	*3.0*	*1.7*	*117.5*	*87.7*	*218.0*	*127.3*	*0.2*	*0.6*	*29.7*	*14.7*	—	—	*23.0*	*32.4*	*165.1*	*79.6*	*0.1*	
Cotton	*0.2*	*0.3*	—	—	*0.2*	*0.3*	*10.1*	*10.6*	*3.3*	*4.1*	*0.1*	*0.3*	—	—	—	—	*3.2*	*3.8*	—	—	—	
3. Fuels	13.9	128.4	—	—	13.9	128.4	310.4	656.5	41.9	126.5	40.6	101.6	—	0.1	—	—	1.3	24.8	—	—	141.0	23
4. Fats and oils	1.9	1.8	—	—	1.9	1.8	47.3	30.0	7.7	7.8	0.1	—	—	—	0.1	—	7.5	6.8	—	1.0	7.5	
5. Chemicals	95.1	125.9	—	—	95.1	125.9	54.8	61.2	11.1	10.1	3.4	1.8	4.9	2.0	0.1	—	0.8	1.8	1.9	4.5	3.6	
6. Manufactures classified chiefly by material [d]	907.0	1 127.0	—	—	907.0	1 127.0	353.7	326.0	288.3	269.7	119.7	98.1	17.3	20.6	19.2	24.4	105.0	86.7	27.1	39.9	24.6	4
7. Machinery and transport equipment	175.9	142.3	—	—	175.9	142.3	0.7	0.4	0.6	2.0	0.3	1.8	—	—	—	—	—	—	0.3	0.2	—	
8-9. Other manufactures	67.6	98.9	0.7	1.5	66.9	97.4	27.3	45.1	13.4	22.6	10.2	14.0	0.4	1.2	—	—	1.3	3.8	1.5	3.6	1.3	
TOTAL IMPORTS	2 311.3	2 838.7	2.7	1.9	2 308.6	2 836.8	3 263.8	3 597.2	1 303.9	1 181.4	595.0	527.8	103.7	103.4	28.9	39.9	326.5	312.5	249.8	197.8	332.8	48

[a] Excluding the sterling area.

[b] Including unallocated imports.

[c] Belgium-Luxembourg, Denmark, Italy, the Netherlands, Norway and Sweden.

[d] Metals; manufactures of metals, wood, rubber and leather; paper, tex

(*concluded*)

tes by main commodity groups and by areas of origin

956 prices

OTHER OVERSEAS COUNTRIES		of which: IN AFRICA		JAPAN		CHINA		OTHER IN ASIA		TOTAL OVERSEAS COUNTRIES b		of which: DOLLAR AREA		WESTERN EUROPE		EASTERN EUROPE		TOTAL WORLD		of which: HIGHLY INDUSTRIALIZED COUNTRIES		SEMI-INDUSTRIALIZED COUNTRIES		NON-INDUSTRIALIZED COUNTRIES b		Grou
1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	1952	1956	
63.0	102.3	27.6	25.3	0.5	8.5	0.7	7.4	34.2	61.1	986.3	1 260.7	631.3	572.0	464.5	674.2	106.6	88.9	1 557.4	2 023.8	997.2	1 213.4	279.4	393.0	280.8	417.4	0.
5.2	13.0	0.3	0.2	—	—	0.6	0.3	4.3	12.5	370.9	496.0	304.4	321.0	34.7	90.1	67.1	42.4	472.7	628.5	406.3	451.3	53.9	126.2	12.5	51.0	
25.3	28.9	19.0	12.6	—	0.7	0.3	1.2	6.0	14.4	85.1	141.1	35.3	78.5	129.0	154.3	4.0	8.5	218.1	303.9	160.1	222.8	12.6	19.8	45.4	61.3	
23.5	31.3	3.8	6.8	—	—	—	0.4	19.7	24.1	356.9	422.3	57.7	93.7	25.4	37.5	0.2	0.3	382.5	460.1	31.6	41.4	180.5	183.1	170.4	235.6	
13.3	16.1	—	0.1	0.1	—	—	0.1	13.2	15.9	64.6	86.2	29.5	54.7	69.7	89.7	0.5	2.3	134.8	178.2	107.5	143.1	6.1	9.1	21.2	26.0	1.
244.5	267.4	76.4	72.1	4.2	9.1	8.2	18.9	155.7	167.3	1 164.6	1 497.7	361.7	518.5	701.0	1 096.3	39.9	74.3	1 905.5	2 668.3	1 062.5	1 588.1	283.5	356.4	559.5	723.8	2.
61.2	81.4	5.1	14.9	—	—	6.6	11.1	49.5	55.4	111.2	213.0	49.2	116.3	20.0	11.9	1.4	1.3	132.6	226.2	48.2	82.7	5.6	7.2	78.8	136.3	
0.4	4.6	—	0.2	—	0.5	—	2.8	0.4	1.1	203.1	257.5	0.5	7.2	99.1	141.2	0.4	2.1	302.6	400.8	100.0	150.2	200.3	241.0	2.3	9.6	
41.4	54.0	40.5	42.1	—	0.1	—	0.2	0.9	11.6	284.7	270.7	203.7	163.9	20.5	40.9	0.3	5.8	305.5	317.4	208.7	156.7	11.2	29.7	85.6	131.0	
137.1	286.1	2.7	—	—	—	—	—	134.4	286.1	850.6	1 373.1	316.5	545.1	526.0	898.2	104.0	97.4	1 480.6	2 368.7	879.9	1 337.9	0.1	2.1	600.6	1 028.7	3.
23.5	25.3	0.3	0.2	0.2	3.1	3.5	4.1	19.5	17.9	94.8	155.8	35.5	57.2	37.1	90.1	2.6	1.1	134.5	247.0	70.8	151.0	9.5	12.2	54.2	83.8	4.
1.8	6.1	0.2	0.2	0.5	2.5	0.2	1.6	0.9	1.8	90.1	157.9	71.5	137.2	314.1	640.0	18.9	26.9	423.1	824.8	412.3	805.1	5.6	8.1	5.2	11.6	5.
41.1	51.4	1.6	17.3	34.2	24.0	—	1.4	5.3	8.7	498.6	609.0	188.2	267.4	1 713.6	2 498.5	23.3	105.6	2 235.5	3 213.1	1 982.3	2 871.0	42.9	71.7	210.3	270.4	6.
3.7	10.9	0.2	0.1	1.8	10.5	—	—	1.7	0.3	335.2	425.9	321.7	411.3	1 458.9	2 238.4	19.9	26.2	1 814.0	2 690.5	1 807.3	2 678.3	1.0	0.9	5.7	11.3	7.
2.8	10.9	0.1	0.1	1.8	9.5	0.2	0.7	0.7	0.6	33.4	62.0	27.0	46.1	337.9	572.7	10.7	22.4	382.0	657.1	379.0	650.7	0.2	1.2	2.8	5.2	8-9.
530.8	776.5	109.1	115.4	43.3	67 2	12.8	34.2	365.6	559.7	4 118 2	5 628 3	1 982.9	2 609.5	5 622.8	8 798.1	326.4	445.1	10 067.4	14 871.5	7 698.8	11 438.6	628.3	854.7	1 740.3	2 578.2	TOTA IMPOR
178.0	295.5	45.9	51.9	4.5	51.5	16.6	33.9	111.0	158.2	4 328.2	5 755.7	1 868.9	1 804.3	1 967.4	2 642.4	282.2	219.6	6 577.8	8 617.7	3 449.2	4 316.5	1 332.6	1 979.6	1 796.0	2 321.6	0.
30.5	36.0	5.7	2.7	1.4	—	2.2	0.4	21.2	32.9	1 272.5	1 669.4	894.6	1 062.6	187.6	244.5	166.8	64.4	1 626.9	1 978 3	1 249.7	1 369.4	221.7	433.8	155.5	175.1	
60.6	113.8	26.9	27.3	1.9	17.8	1.7	3.4	30.1	65.3	562.8	952.0	74.2	206.6	582.4	781.7	9.9	22.2	1 155.1	1 755.9	647.6	969.8	144.6	207.3	362.9	578.8	
43.3	49.3	4.4	8.5	—	0.8	—	1.9	38.9	38.1	1 134.9	1 340.5	105.5	207.4	81.9	90.0	2.0	1.0	1 218.8	1 431.5	90.2	98.2	307.2	316.9	821.4	1 016.4	
21.6	27.4	—	0.1	0.5	0.1	—	0.1	21.1	27.1	486.8	613.6	138.5	240.6	188.8	279.9	1.6	7.3	677.2	900.8	332.8	517.9	15.7	17.7	328.7	365.2	1.
689.1	772.6	304.8	261.4	21.9	27.7	19.9	69.7	342.5	413.8	4 534.0	5 841.1	1 052.4	1 718.3	1 939.7	2 833.8	103.7	307.8	6 577.4	8 982.7	3 028.7	4 529.3	1 210.9	1 574.3	2 337.8	2 879.1	2.
115.5	157.3	21.1	24.9	—	—	13.0	26.3	81.4	106.1	488.9	685.2	69.1	260.1	33.7	20.2	2.7	3.1	525.3	708.5	77.1	193.8	35.3	30.7	412.9	484.0	
1.3	21.5	0.1	0.3	0.1	0.7	—	17.2	1.1	3.3	919.9	1.149.6	3.5	23.8	178.5	266.0	2.0	8.0	1.100.4	1 423.6	184.1	297.6	888.2	1 064.3	28.1	61.7	
205.3	227.1	173.5	171.1	0.1	0.1	0.2	1.4	31.5	54.5	854.6	970.3	430.7	463.9	69.1	84.4	0.7	27.3	924.4	1 082.0	449.2	414.4	59.8	114.1	415.4	553.5	
402.2	569.2	2.7	—	—	—	—	—	399.5	569.2	2 494.2	3 573.2	737.9	1 244.6	848.3	1 450.5	137.8	214.7	3 480.3	5 238.4	1 590.3	2 542.9	5.6	8.1	1 884.4	2 687.4	3.
37.5	48.4	0.6	0.7	1.4	7.5	6.7	11.5	28.8	28.7	390.0	516.5	53.4	143.4	131.7	156.6	2.8	2.4	524.5	675.5	183.3	306.4	68.0	51.8	273.2	317.3	4.
8.2	25.3	0.4	0.6	3.3	9.0	2.3	11.1	2.2	4.6	254.7	438.0	174.5	326.0	541.1	1 061.8	30.4	43.0	826.2	1 542.8	765.9	1 435.5	26.6	37.7	33.7	69.6	5.
155.4	130.9	2.4	18.8	130.4	56.1	1.8	9.3	20.8	46.7	1 717.4	2 059.8	745.1	908.4	2 909.7	4 494.2	41.8	190.1	4 668.9	6 744.1	3 886.8	5 597.5	148.6	292.0	633.5	854.6	6.
9.9	18.3	1.6	3.7	4.0	11.2	—	—	4.3	3.4	712.5	862.5	670.2	820.6	2 069.6	3 169.8	23.1	34.9	2 805.2	4 067.2	2 776.6	4 024.6	5.3	9.5	23.3	33.1	7.
5.3	16.3	1.1	0.8	2.2	12.2	0.8	1.6	1.2	1.7	93.2	190.1	61.4	111.5	537.7	941.9	14.9	29.7	645.8	1 161.7	618.9	1 094.3	6.7	7.7	20.2	59.7	8-9.
507.2	1 903.9	359.5	338.0	168.2	175.3	48.1	137.2	931.4	1 253.4	15 011.0	19 850.5	5 502.3	7 317.7	11 134.0	17 030.9	638.3	1 049.5	26 783.3	37 930.9	16 632.5	24 364.9	2 820.0	3 978.4	7 330.8	9 587.6	TOTAL IMPORTS
186.4	243.1	16.4	22.0	27.6	61.5	1.1	—	141.3	159.6	2 750.0	2 752.4	1 614.1	1 611.3	184.3	209.4	8.6	21.2	2 942.9	2 983.0	553.7	532.7	799.6	738.7	1 589.6	1 711.6	0.
0.2	0.2	—	—	0.2	0.2	—	—	—	—	146.8	75.3	146.5	74.7	2.8	4.3	—	—	149.6	79.6	146.9	76.8	—	0.2	2.7	2.6	
27.6	30.1	0.1	0.2	1.6	3.4	0.2	—	25.7	26.5	179.2	191.4	133.5	134.6	52.0	57.4	0.2	0.1	231.4	248.9	78.4	78.9	13.5	15.1	139.5	154.9	
34.2	43.7	16.1	21.5	1.1	1.5	0.6	—	16.4	20.7	1 634.4	1 677.0	668.1	731.2	12.9	26.8	0.3	0.2	1 647.6	1 704.0	14.7	29.2	694.3	653.9	938.6	1 020.9	
6.0	3.7	—	—	0.1	0.2	—	—	5.9	3.5	82.5	102.7	75.6	99.6	122.3	185.7	0.1	0.1	204.9	288.5	168.8	254.1	0.4	0.3	35.7	34.1	1.
604.9	512.3	65.3	62.5	38.4	51.8	28.2	—	473.0	398.0	2 580.0	2 528.8	1 023.8	1 262.1	315.3	306.3	19.7	12.6	2 915.0	2 847.7	1 043.8	1 276.4	541.1	462.3	1 330.1	1 109.0	3.
38.4	42.1	0.6	0.1	—	—	—	—	37.8	42.0	51.5	49.0	41.4	46.8	2.0	1.5	0.3	0.3	53.8	50.8	4.1	4.2	6.2	1.9	43.5	44.7	
16.9	29.6	0.5	—	0.1	0.5	2.6	—	13.7	29.1	355.5	246.4	3.8	3.4	37.8	41.0	0.3	0.9	393.6	288.3	41.2	44.1	311.5	180.3	40.9	63.9	
15.6	11.5	15.4	11.4	0.2	0.1	—	—	—	—	29.2	26.5	6.6	5.8	2.2	2.7	0.7	1.1	32.1	30.3	3.3	4.2	3.7	5.1	25.1	21.0	
44.5	128.1	—	—	—	—	—	—	44.5	128.1	551.7	1 275.9	324.4	783.2	1.3	1.9	—	0.2	553.0	1 278.0	15.2	130.5	—	1.9	537.8	1 145.6	3.
20.1	24.7	0.4	0.6	6.7	4.3	0.2	—	12.8	19.8	84.5	72.5	19.9	25.4	25.1	19.2	—	—	109.6	91.7	33.7	25.3	39.1	26.9	36.8	39.5	4.
7.5	10.7	0.1	0.2	2.9	5.6	1.8	—	2.7	4.9	172.1	210.8	110.8	157.4	129.7	145.2	3.1	17.8	304.9	373.8	230.8	294.5	45.3	37.1	28.8	42.2	5.
113.6	281.2	—	2.0	89.9	251.9	0.2	—	23.5	27.3	1 687.2	2 052.0	996.9	1 226.9	730.8	1 099.9	2.2	8.6	2 420.2	3 160.5	1 729.9	2 487.4	284.2	292.2	406.1	380.9	6.
11.0	27.7	—	—	10.8	27.7	—	—	0.2	—	188.2	172.4	174.7	142.7	194.8	477.2	0.4	1.3	383.4	650.9	381.9	648.5	0.3	0.2	1.2	2.2	7.
58.0	161.1	1.0	0.9	40.3	134.0	0.7	0.2	16.0	26.0	167.6	447.6	100.1	158.5	226.2	364.4	3.3	4.3	397.1	816.3	337.4	601.6	8.3	10.1	51.4	204.6	8-9.
052.0	1 392.6	83.2	88.2	216.7	537.0	32.2	0.2	719.9	767.2	8 263.8	9 615.1	4 440.3	5 467.1	1 929.8	2 809.2	37.4	66.1	10 231.0	12 490.4	4 495.2	6 251.0	1 718.3	1 569.7	4 017.5	4 669.7	TOTAL IMPORTS

Belgium-Luxembourg, Denmark, France, western Germany, Italy, the Netherlands, Norway, and Sweden, the United Kingdom.

Table XIII

Index numbers of volume of imports and exports for major commodity groups

1953 = 100

Commodity group	Country	1953 Millions of dollars [a]	1952	1953	1954	1955	1956					1957		
							Year	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter	Third quarter
Imports														
Food, drink and tobacco	United Kingdom [b]	3 686	89	100	98	105	107	110	108	99	111	121	109	104
	France	1 056	100	100	102	111	127	121	132	115	142	⧗ 136	135	99
	Western Germany	1 392	94	100	124	135	159	138	148	157	193	171	159	154
	Italy	470	98	100	77	96	109	101	113	94	129	122	104	100
	Switzerland	293	94	100	102	111	128	116	118	123	154	156	122	120
	United States	3 293	96	100	90	94	98	111	98	99	86	107	91	..
Raw materials	United Kingdom [b]	3 827	93	100	102	112	107	107	115	111	101	109	111	113
	France [c]	1 960	96	100	109	118	128	126	136	125	126	⧗ 146	147	130
	Western Germany	1 823	86	100	121	150	159	143	166	162	164	170	170	176
	Italy	1 055	82	100	116	113	126	125	134	122	128	134	154	142
	Switzerland	391	110	100	123	138	158	132	158	167	177	173	168	162
	United States	2 613	102	100	95	106	112	114	109	111	113	103	109	..
All manufactures	United Kingdom [b]	1 801	107	100	107	134	133	141	137	123	133	138	137	136
	France	920	103	100	114	149	180	149	190	175	207	⧗ 214	223	192
	Western Germany	595	81	100	138	197	223	192	218	225	256	253	253	280
	Italy	895	88	100	113	116	131	119	130	126	147	137	140	125
	Switzerland	496	89	100	116	137	158	147	158	159	168	172	178	175
	United States	4 873	92	100	94	108	121	114	118	119	132	123	126	..
Exports														
All manufactures	United Kingdom	5 873	100	100	104	113	120	118	126	112	123	125	126	118
	France	2 636	96	100	110	123	114	106	119	109	121	⧗ 135	132	115
	Western Germany	3 304	87	100	128	149	173	148	177	171	198	187	197	202
	Italy	925	101	100	103	126	162	145	146	164	191	163	176	..
	Switzerland	1 088	90	100	104	115	128	117	123	124	146	135	134	133
	Sweden	824	104	100	119	125	146	127	160	140	157	162	161	..
	Belgium-Luxembourg	..	96	100	109	125	139	135	144	132	140	140	135	..
	United States [d]	12 354	89	100	95	92	104	97	111	104	106	110	114	..
of which:														
Chemical products	United Kingdom	499	99	100	127	148	159	157	156	151	176	178	175	167
	France	..	89	100	124	140	147	131	144	151	157	⧗ 170	160	152
	Western Germany	432	65	100	128	148	172	153	168	166	202	195	195	209
	Switzerland	..	84	100	119	130	146	135	139	143	166	164	163	159
	Netherlands	..	88	100	137	154	164	164	171	165	157	186	174	174
Textile products	United Kingdom	911	91	100	97	93	89	90	88	84	92	94	90	87
	France	..	89	100	111	104	94	85	103	90	106	⧗ 105	93	91
	Western Germany	240	82	100	129	143	146	135	141	145	165	158	156	158
	Switzerland	..	91	100	99	108	118	119	111	117	123	128	118	120
	Netherlands	..	92	100	108	116	122	121	122	118	126	128	123	121
Machinery	United Kingdom	1 601	107	100	101	111	118	119	125	111	115	122	126	114
	France	..	114	100	101	104	98	99	110	93	97	⧗ 113	117	100
	Western Germany	947	94	100	106	117	135	115	138	133	154	143	155	158
	Switzerland [e]	..	96	100	110	126	134	124	137	129	146	146	146	142
	Sweden	221	118	100	114	124	148	122	169	142	161	163	164	..
Transport equipment	United Kingdom	931	104	100	107	114	120	128	131	113	111	117	135	122
	France	..	112	100	119	131	130	126	145	112	138	⧗ 165	190	152
	Western Germany	323	88	100	160	218	253	229	277	240	266	265	291	277
	Sweden	123	147	100	165	157	170	174	185	163	158	223	255	..

Sources: see Appendix B.

Note. — Owing to some discrepancies in the coverage of the commodity group indices and in the system of weighting, inter-country comparisons should be made with caution.

[a] Imports c.i.f., except for the United States (f.o.b.), and exports f.o.b.

[b] General imports.

[c] Excluding non-monetary gold.

[d] Including " special categories ".

[e] Including " Transport equipment ".

TABLE XIV

Index numbers of import and export unit values for major commodity groups

1953 = 100

Commodity group	Country	1952	1953	1954	1955	1956					1957		
						Year	1st quarter	2nd quarter	3rd quarter	4th quarter	1st quarter	2nd quarter	3rd quarter
Imports													
Food, drink and tobacco . .	United Kingdom .	104	100	103	104	104	103	105	102	108	107	107	104
	France	104	100	102	92	101	95	107	102	101	⧗ 102	101	111
	Western Germany .	110	100	98	96	98	94	98	100	100	98	102	105
	Italy	101	100	99	96	95	96	95	95	95	93	97	95
	Switzerland	104	100	106	100	100	99	99	100	101	102	101	101
	United States . . .	100	100	112	101	99	97	98	100	100	101	99	. .
Raw materials	United Kingdom .	116	100	96	99	103	101	101	102	106	114	113	107
	France [a]	118	100	99	98	103	100	100	102	107	⧗ 118	116	111
	Western Germany .	121	100	97	106	111	110	111	113	110	113	116	116
	Italy	112	100	95	96	100	98	99	98	106	116	113	106
	Switzerland . . .	115	100	102	104	110	109	110	111	111	114	116	114
	United States . . .	111	100	97	103	105	107	106	104	105	111	109	. .
All manufactures	United Kingdom .	107	100	95	104	105	110	107	102	102	102	101	99
	France	106	100	96	97	98	101	99	99	92	⧗ 98	96	105
	Western Germany .	106	100	93	94	93	98	93	92	90	92	92	91
	Italy	112	100	100	105	115	115	116	117	118	118	121	120
	Switzerland	104	100	98	99	101	100	101	101	100	102	105	103
	United States . . .	104	100	98	102	106	106	106	105	105	106	106	. .
Exports													
All manufactures	United Kingdom .	105	100	99	101	105	104	104	105	106	107	107	109
	France	106	100	98	100	104	104	104	105	106	⧗ 106	106	111
	Western Germany .	106	100	96	98	102	101	103	102	102	103	105	114
	Italy	108	100	99	97	98	100	98	98	98	100	102	102
	Switzerland	103	100	99	96	96	97	95	95	95	97	97	97
	Sweden	110	100	96	99	101	100	99	100	103	103	105	. .
	Belgium-Luxemb. .	117	100	94	97	101	100	102	100	103	105	113	. .
	United States . . .	100	100	99	102	107	107	107	107	109	113	112	. .
of which :													
Chemical products . . .	United Kingdom .	105	100	91	88	86	87	89	86	83	85	88	87
	France	110	100	96	91	⧗ 105	107	113	98	105	⧗ 106	109	114
	Western Germany .	144	100	101	100	96	99	97	93	96	96	97	97
	Switzerland	125 *	100	104	96	94	97	93	91	94	96	97	97
Textile products	United Kingdom .	111	100	101	101	100	100	99	101	100	101	102	103
	France	110	100	98	97	⧗ 100	103	90	98	102	⧗ 106	105	105
	Western Germany .	113	100	101	101	103	107	104	100	101	104	103	103
	Switzerland	95 *	100	101	99	96	99	95	95	96	98	96	97
Finished engineering products [b]	United Kingdom .	100	100	100	103	107	105	105	108	109	110	110	113
	France	99	100	101	102	⧗ 105	104	102	106	107	⧗ 110	112	116
	Western Germany .	96	100	99	99	103	101	104	104	104	106	109	106
	Switzerland	99 *	100	97	95	96	97	94	96	97	94	98	98
	Sweden	93	100	94	93	94	93	91	92	103	97	103	. .

Sources and methods : See Appendix B.

NOTE — Owing to some discrepancies in the coverage of the commodity group indices and in the system of weighting, inter-country comparisons should be made with caution.

---

[a] Excluding non-monetary gold.

[b] Combined "Machinery" and "Transport equipment", shown separately in Table IX.

TABLE XV

Production, net trade and apparent consumption of wheat, rye and rice by main areas

Millions of tons

Commodity and area	Production			Net exports (—) or net imports (+)			Apparent consumption		
	1925–29	1934–38	1952–56 [a]	1925–29	1934–38	1952–56 [a]	1925–29	1934–38	1952–56 [a]
Wheat [b]									
Western Europe [c]	27.4	34.3	41.3	+15.8	+9.9	+11.5	43.2	44.2	52.8
North America	34.1	26.6	43.9	—12.5	—5.3	—16.9	21.6	21.3	27.0
Japan	0.9	1.3	1.5	+0.5	—0.1	+2.0	1.4	1.2	3.5
Non-industrialized countries	*26.1*	*32.4*	*36.2*	*—4.8*	*—4.3*	*+3.0*	*21.3*	*28.1*	*39.2*
Africa	2.1	2.5	5.2	+0.4	—0.1	+0.9	2.5	2.4	6.1
of which: Union of South Africa	0.2	0.4	0.7	+0.2	—	+0.2	0.4	0.4	0.9
Latin America	8.3	8.6	10.6	—2.9	—1.9	+1.0	5.4	6.7	11.6
of which: Argentina	6.6	6.6	6.8	—4.4	—3.3	—2.3	2.2	3.3	4.5
Asia	11.8	16.9	15.4	+0.3	+0.4	+3.5	12.1	17.3	18.9
of which: India	8.7	7.4	7.9	—0.1	—0.2	+1.2	8.6	10.4	9.1
Pakistan		3.2	3.2			+0.3			3.5
Oceania	3.9	4.4	5.0	—2.6	—2.7	—2.4	1.3	1.7	2.6
Total world (excluding eastern Europe and China)	88.5	94.6	122.9	—1.0	+0.2	—0.4	87.5	94.8	122.5
Eastern Europe (excluding U.S.S.R.) and China [d]	8.4 [f]	34.3	34.7	—0.1 [f]	—0.6	+1.5	8.3 [f]	33.7	36.2
U.S.S.R.	21.5	38.1	..	—0.2	—0.7	—2.5 [e]	21.3	37.4	..
Rye									
Western Europe [c]	12.4	7.8	7.6	+0.9	+0.8	+0.6	13.3	8.6	8.2
North America	1.4	1.2	1.0	—0.7	—	—0.2	0.7	1.2	0.8
Non-industrialized countries	*0.2*	*0.3*	*0.9*	*—0.1*	*—0.1*	*—0.4*	*0.1*	*0.2*	*0.5*
Argentina	0.2	0.3	0.9	—0.1	—0.1	—0.4	0.1	0.2	0.5
Total world (excluding eastern Europe and China)	14.0	9.3	9.5	+0.1	+0.7	—	14.1	10.0	9.5
Eastern Europe (excluding U.S.S.R.) and China [d]	9.2	11.4	10.2	—0.1	—0.4	+0.7	9.1	11.0	10.9
U.S.S.R.	23.0	25.5	..	..	—0.3	—0.4 [e]	23.0	25.2	..
Rice									
Western Europe [c]	1.0	1.2	1.7	+0.6	+1.0	+0.5	1.6	2.2	2.2
North America	0.8	1.0	2.4	—	—	—0.6	0.8	1.0	1.8
Japan	11.0	11.5	12.4	+1.5	+1.7	+1.1	12.5	13.2	13.5
Non-industrialized countries	*72.0*	*87.0*	*99.4*	*—2.2*	*—3.9*	*—0.8*	*69.8*	*83.1*	*98.6*
Africa	1.8	2.2	3.2	+0.2	+0.3	+0.1	2.0	2.5	3.3
Latin America	1.3	2.1	5.5	+0.5	+0.3	+0.1	1.8	2.4	5.6
of which: Brazil	0.9	1.4	3.6	—	—0.1	—0.1	0.9	1.3	3.5
Asia	68.9	82.7	90.7	—2.9	—4.5	—1.0	66.0	78.2	89.7
of which: India	38.8	43.4	38.9	—2.1	+1.9	+0.2	36.7	41.5	51.9
Pakistan			12.8						
Total world (excluding eastern Europe and China)	84.8	100.7	115.9	—0.1	—1.2	+0.2	84.7	99.5	116.1
Eastern Europe (excluding U.S.S.R.) and China [d]	— [f]	50.5	69.3	+0.2 [f]	—0.6	+0.1	0.2 [f]	49.9	69.4
U.S.S.R.	..	0.3	..	+0.1	—	+0.2 [e]	..	0.3	..

Sources and methods: See Appendix B.

[a] Partly estimated. [b] Including trade in flour. [c] Figures for pre-war years include the whole of Germany. [d] Post-war average 1953–56.
[e] 1955–56. [f] Excluding China.

TABLE XVI

Production, net trade and apparent consumption of coarse grain [a] by main areas

Millions of tons

Area	Production			Net exports (−) or net imports (+)			Apparent consumption		
	1925–29	1934–38	1952–56 [b]	1925–29	1934–38	1952–56 [b]	1925–29	1934–38	1952–56 [b]
Western Europe [c]	39.5	38.0	43.0	+11.1	+10.7	+8.2	50.6	48.7	51.2
North America	99.3	78.5	121.0	−2.0	−0.1	−5.0	97.3	78.4	116.0
Japan	2.1	2.0	2.8	—	+0.2	+1.0	2.1	2.2	3.8
Non-industrialized countries	*36.1*	*41.6*	*49.9*	*−7.4*	*−9.1*	*−4.1*	*28.7*	*32.5*	*45.8*
Latin America	18.1	19.6	21.0	−6.1	−7.4	−1.7	12.0	12.2	19.3
of which : Argentina	8.9	9.1	5.5	−6.2	−7.2	−1.9	2.7	1.9	3.6
Africa	8.0	9.4	13.9	−0.9	−0.8	−1.2	7.1	8.6	12.7
of which : Algeria, Morocco and Tunis	2.1	2.5	3.2	−0.3	−0.2	−0.6	1.8	2.3	2.6
Union of South Africa	1.8	2.1	3.6	−0.4	−0.3	−0.3	1.4	1.8	3.3
Asia	9.3	11.8	13.1	−0.3	−0.8	−0.5	9.0	11.0	12.6
Oceania	0.7	0.8	1.9	−0.1	−0.1	−0.7	0.6	0.7	1.2
Total world (excluding eastern Europe and China)	177.0	160.1	216.7	+1.7	+1.7	+0.1	178.7	161.8	216.8
Eastern Europe and China	44.3	71.9	..	−2.0	−1.5	..	42.3	70.4	..

Sources and methods : See Appendix B.

[a] Data refer to barley, maize and oats. African and Asian countries also produce millet and sorghum, which, however, do not appear in international trade. For the periods 1934–38 and 1952–56 this production amounted to 25 million tons and 30 million tons respectively.

[b] Partly estimated.

[c] Figures for pre-war years include the whole of Germany.

Table XVII

Production, net trade and apparent consumption of sugar by main areas

Millions of tons [a]

Area	Production			Net exports (−) or net imports (+)			Apparent consumption		
	1925–29	1934–38	1952–56 [b]	1925–29	1934–38	1952–56 [b]	1925–29	1934–38	1952–56 [b]
Western Europe [c]	4.4	4.9	6.8	+2.8	+2.7	+2.7	7.2	7.6	9.5
North America [d]	2.5	3.7	4.4	+4.2	+3.1	+4.1	6.7	6.8	8.5
Japan	0.1	—	—	+0.7	+0.8	+1.0	0.8	0.8	1.0
Non-industrialized countries	*15.5*	*16.8*	*25.4*	*−7.8*	*−6.7*	*−7.8*	*7.7*	*10.1*	*17.6*
Latin America [e]	7.7	6.9	13.2	−5.5	−3.8	−6.9	2.2	3.1	6.3
Dollar countries	5.5	4.4	8.2	−5.0	−3.0	−5.5	0.5	1.4	2.7
Cuba	4.7	2.8	5.0	−4.6	−2.6	−4.9	0.1	0.2	0.1
Non-dollar countries	2.2	2.5	5.0	−0.5	−0.8	−1.4	1.7	1.7	3.6
Brazil	1.0	1.0	2.4	—	—	−0.2	1.0	1.0	2.2
Peru	0.4	0.4	0.7	−0.3	−0.3	−0.4	0.1	0.1	0.3
Africa	0.7	1.1	2.0	—	−0.3	—	0.7	0.8	2.0
Mauritius	0.2	0.3	0.5	−0.2	−0.3	−0.5	—	—	—
Union of South Africa	0.2	0.4	0.7	—	−0.2	−0.1	0.2	0.2	0.6
Asia	6.5	7.8	8.8	−2.1	−2.1	−0.3	4.4	5.7	8.5
Formosa	0.6	1.1	0.8	−0.5	−0.9	−0.6	0.1	0.2	0.2
India [f]	3.0	3.8	4.3	+0.8	+0.1	+0.3	3.8	4.6	4.6
Pakistan [f]		0.7	1.2			+0.1			1.3
Philippines	0.7	1.0	1.2	−0.5	−0.9	−0.9	0.2	0.1	0.3
Oceania	0.6	1.0	1.4	−0.2	−0.5	−0.6	0.4	0.5	0.8
Total world (excluding eastern Europe and China)	22.5	25.4	36.6	−0.1	−0.1	—	22.4	25.3	36.6
Eastern Europe and China	3.1	4.5	7.2	−0.2	—	−0.2	2.9	4.5	7.0

Sources and methods : See Appendix B.

[a] Raw and refined sugar. Added ton for ton.

[b] Partly estimated.

[c] Figures for pre-war years include the whole of Germany.

[d] Including production of U.S. dependencies (Virgin Islands, Hawaii, Puerto Rico); trade between the U.S. and its dependencies is excluded.

[e] Including British West Indies, Martinique, Guadaloupe, Bermuda, Netherlands Antilles.

[f] Including gur production.

TABLE XVIII

Production, net trade and apparent consumption of coffee by main areas

Thousands of tons

Area	Production			Net exports (−) or net imports (+)			Apparent consumption		
	1925–29	1934–38	1952–56 [a]	1925–29	1934–38	1952–56 [a]	1925–29	1934–38	1952–56 [a]
Western Europe [b]	—	—	—	+587	+676	+627	587	676	627
North America	—	—	—	+654	+804	+1 237	654	804	1 237
Japan	—	—	—	+1	+5	+3 [c]	1	5	3 [c]
Non-industrialized countries	*2 100*	*2 410*	*2 550*	*−1 295*	*−1 520*	*−1 897*	*805*	*890*	*653*
Latin America	1 910	2 110	2 027	−1 209	−1 368	−1 533	701	742	494
of which : Brazil	1 388	1 446	1 142	−846	−875	−874	542	571	268
Columbia	184	251	357	147	−230	−345	37	21	12
Africa	40	120	406	−4	−74	−350	36	46	56
of which : Angola	15	17	67	−10	−16	−61	5	1	6
French West Africa	—	8	90	—	−8	−90		—	—
Kenya, Uganda and Tanganyika	19	44	78	−3	−42	−85	16	2	−7
Asia	150	180	111	−84	−80	−17	66	100	94
of which : Indonesia	109	124	52	−83	−84	−33	26	40	19
Oceania	—	—	6	+2	+2	+3 [c]	2	2	9 [c]
Total world (excluding eastern Europe and China)	2 100	2 410	2 550	−53	−35	−30	2 047	2 375	2 520
Eastern Europe and China	—	—	—	+29	+26	..	29	26	..

Sources and methods : See Appendix B.

[a] Partly estimated.

[b] Figures for pre-war years include the whole of Germany.

[c] 1952–54.

TABLE XIX

Production, net trade and apparent consumption of cocoa beans by main areas

Thousands of tons

Area	Production			Net exports (−) or net imports (+)			Apparent consumption		
	1925–29	1934–38	1952–56 [a]	1925–29	1934–38	1952–56 [a]	1925–29	1934–38	1952–56 [a]
Western Europe [b]	—	—	—	+261	+346	+366	261	346	366
North America	—	—	—	+192	+262	+245	192	262	245
Japan	—	—	—	—	+2	+3	—	2	3
Non-industrialized countries	*543*	*729*	*811*	*−506*	*−653*	*−647*	*37*	*76*	*164*
Latin America	190	236	281	−164	−197	−177	26	39	104
of which : Brazil	70	124	143	−68	−114	−107	2	10	36
Colombia	5	10	15	+5	+3	+8	10	13	23
Dominican Republic	22	23	37	−22	−23	−21	—	—	16
Venezuela	18	17	16	−17	−17	−16	1	—	—
Africa	344 *	484	519	−344	−460	−477	—	24	42
of which : French West Africa and Cameroons	22	72	124	−18	−72	−118	4	—	6
Ghana	242 * [c]	283	233	−242 [c]	−266	−224	—	17	9
Nigeria and British Cameroons	50 *	94	111	−50	−91	−106	—	3	5
Asia	6	6	6	−3	−1	—	3	5	6
Oceania	3	3	5	+5	+5	+7	8	8	12
Total world (excluding eastern Europe and China)	543	729	811	−53	−43	−33	490	686	778
Eastern Europe and China	—	—	—	+20 *	+34 *	+23 [d]	20 *	34 *	23 [d]

Sources and methods : See Appendix B.

[a] Partly estimated.

[b] Figures for pre-war years include the whole of Germany.

[c] Includes British zone of Togo.

[d] 1952–54.

Table XX

Production, net trade and apparent consumption of tea by main areas

Thousands of tons

Area	Production			Net exports (—) or net imports (+)			Apparent consumption		
	1925–29	1934–38	1952–56 [a]	1925–29	1934–38	1952–56 [a]	1925–29	1934–38	1952–56 [a]
Western Europe [b]	—	—	—	+228.9	+225.0	+238.4	228.9	225.0	238.4
North America	—	—	—	+59.2	+55.5	+67.5	59.2	55.5	67.5
Japan	38.0	49.3	65.0	−10.7	−17.3	−12.8	27.3	32.0	52.2
Non-industrialized countries	*368.3*	*415.9*	*577.0*	*−263.9*	*−258.4*	*−311.2*	*104.4*	*157.5*	*265.8*
Latin America	—	0.2	5.0	+6.2	+5.0	+3.4	6.2	5.2	8.4
Africa	1.2	9.0	27.0	+22.3	+24.0	+37.2	23.5	33.0	64.2
of which : Kenya, Uganda and Tanganyika	..	3.9	12.0	..	−3.2	−8.3	..	0.7	3.7
Rhodesia and Nyasaland	0.6	4.0	8.0	−0.3	−3.2	—7.4	0.3	0.8	0.6
Asia	367.1	406.7	545.0	−319.0	−313.0	−382.8	48.1	93.7	162.2
of which : Ceylon	103.6	103.9	161.6	−103.6	−99.6	−157.2	—	4.3	4.4
India	180.0	178.0	295.8	−162.3	−154.4	−204.4	17.7	49.2	91.4
Pakistan		25.6	24.4			−10.0			14.4
Indonesia	65.8	74.8	41.4	−60.1	−67.1	−32.8	5.7	7.7	8.6
Oceania	—	—	—	+26.6	+25.6	+31.0	26.6	25.6	31.0
Total world (excluding eastern Europe and China)	406.3	465.2	642.0	+13.5	+4.8	−18.1	419.8	470.0	623.9
Eastern Europe and China	53.6	41.0	..	−22.7	−20.8	..	30.9	20.2	..

Sources and methods : See Appendix B.

[a] Partly estimated.

[b] Figures for pre-war years include the whole of Germany.

TABLE XXI

Production, net trade and apparent consumption of unmanufactured tobacco by main areas

Thousands of tons

Area	Production			Net exports (−) or net imports (+)			Apparent consumption		
	1925–29	1934–38	1952–56 [a]	1925–29	1934–38	1952–56 [a]	1925–29	1934–38	1952–56 [a]
Western Europe [b]	224	255	406	+269	+276	+241	493	531	647
of which : Greece and Turkey	115	113	178	−87	−73	−112	28	40	66
North America	632	619	1 061	−197	−171	−186	435	448	875
Japan	64	63	123	+2	−1	+8	66	62	131
Non-industrialized countries	*1 047*	*1 099*	*1 169*	*−131*	*−104*	*−118*	*916*	*995*	*1 051*
Latin America	190	205	355	−57	−45	−62	133	160	293
of which : Brazil	90	93	136	−28	−30	−28	62	63	108
Cuba	28	22	43	−19	−12	−19	9	10	24
Africa	63	70	154	+7	−13	−45	70	57	109
of which : Algeria	25	19	20	−10	−8	−12	15	11	8
Rhodesia and Nyasaland	7	19	77	−10	−15	−60	−3	4	17
Asia	793	821	655	−91	−56	−32 [c]	702	765	623
of which : India	613	343	247	−11	−14	−35 [d]	602	329	. .
Pakistan			94						
Indonesia	84	111	70	−71	−44	−8 [d]	13	67	62
Philippines	46	35	32	−21	−13	. .	25	22	. .
Oceania	1	3	5	+10	+10	+21	11	13	26
Total world (excluding eastern Europe and China)	1 967	2 036	2 759	−57	0	−55	1 910	2 036	2 704
Eastern Europe and China	209 [e]	980	. .	+32	+5	+9	. .	985	. .

Sources and methods : See Appendix B.

[a] Partly estimated.

[b] Figures for pre-war years include the whole of Germany.

[c] 1952–55.

[d] 1953–56.

[e] Excluding China.

TABLE XXII

Production, net trade and apparent consumption of natural and synthetic rubber by main areas

Thousands of tons

Commodity and area	Production			Net exports (−) or net imports (+)			Apparent consumption		
	1925–29	1934–38	1952–56	1925–29	1934–38	1952–56	1925–29	1934–38	1952–56
Natural rubber									
Western Europe [a]	—	—	—	+169	+303	+654	169	303	654
North America	—	—	—	+456	+524	+697	456	524	697
Japan	—	—	—	+23	+56	+89	23	56	89
Non-industrialized countries	*718*	*996*	*1 855*	*−650*	*−949*	*−1 651*	*68*	*47*	*204*
Latin America	25	20	31	−31	−6	+46	−6	14	77
Africa	9	10	90	−8	−5	−64	1	5	26
Asia	684	965	1 730	−621	−951	−1 674	63	14	56
of which : Ceylon	75	64	97	−58	−62	−94	17	2	3
Indochina	9	39	83	−9	−39	−79	—	—	4
Indonesia [b]	269 *	354	732	−269	−347	−720	—*	7	12
Malaya [b]	315	423	612	−257	−421	−602	58	2	10
Thailand	4	32	117	−4	−32	−117	—	—	—
Oceania	—	1	4	+10	+13	+41	10	14	45
Total world (excluding eastern Europe and China)	718	996	1 855	−2	−66	−211	716	930	1 644
Eastern Europe and China	—	—	—	+16	+57	+208	16	57	208
Synthetic rubber									
Western Europe [a]			8			+79			87
North America			973			−105			868
Japan			—			+4			4
Non-industrialized countries			—			+19			19
Total world (excluding eastern Europe and China)			981			−3			978

Sources and methods : See Appendix B.

[a] Figures for pre-war years include the whole of Germany.

[b] Distribution of production between estates and small holdings is as follows (in thousands of tons):

	1934–38		1952–56	
	Estates	*Small holdings*	*Estates*	*Small holdings*
Indonesia	186	168	284	448
Malaya	264	159	352	260

TABLE XXIII

Production, net trade and apparent consumption of raw cotton by main areas

Thousands of tons

Area	Production			Net exports (−) or net imports (+)			Apparent consumption		
	1925–29	1934–38	1952–56[a]	1925–29	1934–38	1952–56[a]	1925–29	1934–38	1952–56[a]
Western Europe[b]	26	75	235	+1 911	+1 644	+1 381	1 937	1 719	1 616
United States	3 310	2 756	3 180	−1 931	−1 256	− 789	1 379	1 500	2 391
Canada	—	—	—	+60	+64	+78	60	64	78
Japan	—	—	—	+635	+741	+488	635	741	488
Non-industrialized countries	*1 773*	*2 454*	*3 212*	*−1 192*	*−1 430*	*−1 203*	*581*	*1 024*	*2 009*
Latin America	258	590	1 112	−116	−331	−511	142	259	601
of which : Argentina	25	60	123[c]	−14	−29	−21	11	31	102[c]
Brazil	113	355	427	−24	−194	−159	89	161	268
Mexico	55	69	356	−21	−23	−299	34	46	57
Peru	53	82	105	−48	−75	−90	5	7	15
Africa	434	593	710	−399	−555	−592	35	38	118
of which : Egypt	344	400	354	−321	−375	−283	23	25	71
Sudan	28	53	94	−27	−50	−83	1	3	11
Asia	1 079	1 268	1 389	−677	−547	−118	402	721	1 271
of which : Near East	21	55	146	−16	−26	−88	5	29	58
India	1 024	1 153	835	−618	−520	+75	+406	633	910
Pakistan			295			−191			104
Oceania	2	3	1	—	+3	+18	2	6	19
Total world (excluding eastern Europe and China)	5 109	5 285	6 627	−517	−237	−45	4 592	5 048	6 582
Eastern Europe and China	663	1 355	2 922[d]	+406	+257	+ 51[e]	1 069	1 612	. .

Sources and methods : See Appendix B.

[a] Partly estimated.

[b] Figures for pre-war years include the whole of Germany.

[c] 1952–55 only for production.

[d] 1956.

[e] 1952–54.

TABLE XXIV

Production, net trade and apparent consumption of raw wool by main areas

Thousands of tons, clean weight

Area	Production		Net exports (−) or net imports (+)		Apparent consumption	
	1934-38	1952-56 [a]	1934-38	1952-56 [a]	1934-38	1952-56 [a]
Western Europe [b]	113	125	+376	+424	489	549
North America	99	62	+66	+130	165	192
Japan	—	2	+49	+53	49	55
Non-industrialized countries	*577*	*823*	*−485*	*−652*	*92*	*171*
Latin America	145	202	−115	−124	30	78
of which: Argentina	88	108	−77	−73	11	35
Uruguay	32	56	−28	−47	4	9
Africa	65	84	−52	−58	13	26
of which: Union of South Africa	48	64	−44	−53	4	11
Asia	44	52	−28	−25	16	27
Oceania	323	485	−290	−445	33	40
of which: Australia	231	345	−203	−301	28	44
New Zealand	92	140	−87	−144	5	−4
Total world (excluding eastern Europe and Mainland China)	789	1 012	+6	−45	795	967
Eastern Europe and China	114	..	+12	+35	126	..

Sources and methods : See Appendix B.

[a] Partly estimated.

[b] Figures for pre-war years include the whole of Germany.

TABLE XXV

Production, net trade and apparent consumption of jute and burlap by main areas

Thousands of tons

Area	Production			Net exports (−) or net imports (+)			Apparent consumption		
	1925–29	1934–38	1952–55	1925–29	1934–38	1952–55	1925–29	1934–38	1952–55
Jute (raw)									
Western Europe [a]	—	—	—	+584	+549	+504	584	549	504
North America	—	—	—	+65	+74	+64	65	74	64
Japan	—	—	—	+1	+24	+28	1	24	28
Non-industrialized countries	*1 870*	*1 960*	*1 973*	*−774*	*−716*	*−658*	*1 096*	*1 244*	*1 315*
Latin America	—	—	21	+29	+37	+20	29	37	41
Africa	—	10	14	—	−1	+8	—	9	22
Asia	1 870	1 950	1 938	−804	−754	−690	1 066	1 196	1 248
of which : India	1 870	1 860	836	−794	−757	+238	1 076	1 103	1 074
Pakistan			943			−898			45
Oceania	—	—	—	+1	+2	+4	1	2	4
Total world (excluding eastern Europe and China)	1 870	1 960	1 973	−124	−69	−62	1 746	1 891	1 911
Eastern Europe and China	—	—	—	+84 *	+87 *	+34 *	84 *	87 *	34 *
Jute manufactures and burlap (hessian cloth)									
Western Europe [a]		362	322		−3	−24		359	298
North America		..	..		+364	+285		..	..
Japan		15	24		—	−7		15	17
Non-industrialized countries		*1 138*	*995*		*−342*	*−381*		*796*	*614*
Latin America		20	19		+134	+145		154	164
Africa		—	—		+137	+93		137	93
Asia		1 118	976		−719	−728		399	248
of which : India		1 118	929		−891	−819		227	110
Pakistan		..	48		..	..		..	..
Oceania		—	—		+106	+109		106	109
Total world (excluding eastern Europe and China)		1 680 *	1 530 *		+19	−127		1 699 *	1 403 *

Sources and methods : See Appendix B.

[a] Figures for pre-war years include the whole of Germany.

TABLE XXVI

Production, net trade and apparent consumption of hard fibres [a] by main areas

Thousands of tons

Area	Production		Net exports (−) or net imports (+)		Apparent consumption	
	1935-38	1952-56 [b]	1935-38	1952-56 [b]	1935-38	1952-56 [b]
Western Europe [c]	—	—	+230	+237	230	237
North America	—	—	+193	+241	193	241
Japan	—	2	+68	+38	68	40
Non-industrialized countries	*570*	*687*	*−510*	*−511*	*60*	*176*
Latin America	120	250	−97	−110	23	140
of which : Cuba	14	12	−8	−5	6	7
Haiti	6	26	−6	−25	—	1
Mexico	100	110	−85	−22	15	88
Africa	155	288	−155	−275	—	13
of which : Angola	6	33	−6	−32	—	1
Mozambique	22	25	−21	−23	1	2
Tanganyika	91	176	−90	−175	1	1
Asia	287	144	−267	−141	20	3
of which : Indonesia	91	32	−87	−31	4	1
Philippines	199	111	−180	−108	19	3
Oceania	8	5	+9	+15	17	20
Total world (excluding eastern Europe and China)	570	689	−19	+5	551	694

Sources and methods : See Appendix B.

[a] Abaca, sisal, henequen, istle, maguey, phormium, aloe, carosa.

[b] Partly estimated.

[c] Figures for pre-war years include the whole of Germany.

TABLE XXVII

Production, net trade and apparent consumption of bauxite and aluminium by main areas

Bauxite : Millions of tons — Aluminium : Thousands of tons

Commodity and area	Production				Net exports (−) or net imports (+)				Apparent consumption			
	1929	1938	1952–56	1956	1929	1938	1952–56	1956	1929	1938	1952–56	1956
Bauxite [a]												
Western Europe	0.98	1.65	2.74	3.31	+0.05 *	+0.37 *	..	..	1.03 *	2.02 *	..	..
of which : France	0.67	0.68	1.30	1.45	−0.24	−0.29	−0.32	−0.33	0.43	0.39	0.98	1.12
Greece	0.01	0.18	0.44	0.67	..	−0.14	−0.42	−0.67	—	0.04	0.02	—
Italy	0.19	0.36	0.28	0.26	−0.12	−0.07	..	..	0.07	0.29	..	..
Yugoslavia	0.10	0.41	0.86	0.88	−0.07	−0.38	−0.60	−0.69	0.03	0.03	0.26	0.19
United States	0.37	0.32	1.78	1.77	+0.25	+0.37	+4.99	+6.19	0.62	0.69	6.77	7.96
Canada	—	—	—	—	+0.13	+0.33	+2.50	+2.35	0.13	0.33	2.50	2.35
Japan	—	—	—	—	—	+0.22	..	..	—	0.22	..	..
Non-industrialized countries	*0.44*	*1.16*	*8.73*	*10.56*	*−0.40*	*−1.11*	..	..	*0.04*	*0.05*	..	..
Latin America	0.43	0.84	7.60	9.10	−0.40	−0.77	..	..	0.03	0.07	..	..
of which : British Guiana	0.22	0.46	2.41	2.52	−0.19	−0.38	−2.20 *	−2.20 *	0.03	0.08	0.21 *	0.32 *
Jamaica	—	—	1.87	3.05	—	—	−1.69 *	−2.83 *	—	—	0.18 *	0.22 *
Surinam	0.21	0.38	3.29	3.48	−0.21	−0.38	−3.16 *	−3.48 *	—	—	0.13 *	—*
Africa	—	—	0.49	0.59	—	—	..	..	—	—	..	..
Asia	0.01	0.32	0.63	0.86	—	−0.34	..	..	0.01	−0.02	..	..
of which : Indonesia	—	0.25	0.34 *	0.50 *	—	−0.27	..	..	—	−0.03	..	..
Malaya	—	0.06	0.17	0.27	—	−0.06	..	..	—	—	..	..
Oceania	—	—	0.01	0.01	—	—	..	..	—	—	..	..
Total world (excluding eastern Europe and China)	1.79	3.13	13.25	15.64	+0.03 *	+0.18 *	..	..	1.82 *	3.31 *	..	..
Eastern Europe and China	0.12	0.80	2.31 *	2.33 *	−0.04 *	−0.25 *	..	..	0.08 *	0.55 *	..	..
Aluminium [b]												
Western Europe	121	239	503	611	−20 *	+1 *	+178 *	+239	101 *	240 *	681 *	850 *
of which : Austria	3	4	49	59	−3	+1	−22	−24	—	5	27	35
France	29	45	124	150	−2	−14	−17	−6	27	31	107	144
Western Germany	20 *	81 *	124	147	+4 *	+10 *	+14	+36	24 *	91 *	138	183
Italy	7	26	58	64	+2	—	+2	+9	9	26	60	73
Norway	29	29	66	93	−29	−28	−53	−79	—	1	13	14
United States	103	130	1 251	1 523	+23	+4	+208	+218	126	134	1 459	1 741
Canada	42	65	514	563	−33	−59	−427	−469	9	6	87	94
Japan	—	18	53	66	+12	+27	−9	−7	12	45	44	59
Non-industrialized countries	—	*5*	*16*	*27*	*+5 **	*+8 **	*+42*	*+48*	*5 **	*13 **	*58*	*75*
Latin America	—	—	2	3	..	+4 *	+25	+30	..*	4 *	27	33
Africa	—	—	—	—	+1 *	+1 *	+5	+7	1 *	1 *	5	7
Asia	—	5	12	15	+1 *	..	+1	—	1 *	..	13	15
Oceania	—	—	2	9	+1	—	+11	+11	1	—	13	20
Total world (excluding eastern Europe and China)	266	457	2 337	2 790	−13 *	−19 *	−8	+29	253 *	438 *	2 329	2 819
Eastern Europe and China	13 *	133 *	410	546	+7 *	+16 *	+4	−21	20 *	149 *	414	525

Sources and methods : See Appendix B.

[a] Production and trade of crude ore are given for their actual weight.

[b] Virgin metal only.

Table XXVIII

Production, net trade and apparent consumption of copper ore and metal in main areas

Thousands of tons

Commodity and area	Production				Net exports (−) or net imports (+)				Apparent consumption			
	1929	1938	1952–56	1956	1929	1938	1952–56	1956	1929	1938	1952–56	1956
Copper ore [a]												
Western Europe	113	128	134	136								
United States	905	506	868	998								
Canada	113	267	271	323								
Japan	76	74	66	77								
Non-industrialized countries	*676*	*910*	*1 285*	*1 474*								
Latin America	485	447	530	612								
of which : Chile	321	352	412	490								
Mexico	87	42	57	55								
Peru	56	38	39	46								
Africa	165	400	662	734								
of which : Belgian Congo	137	124	225	248								
Northern Rhodesia	7	254	373	404								
Asia	13	43	53	74								
Oceania	13	20	40	54								
Total world (excluding eastern Europe and China)	1 883	1 885	2 624	3 008								
Eastern Europe and China	66 *	125 *	371	445								
Refined copper [b]												
Western Europe	260	619	770	832	+490	+580	+500	+660	750	1 199	1 270	1 492
United States	1 399	820	1 369	1 547	−320	−342	+55	−28	1 079	478	1 424	1 519
Canada	3	206	237	300	+20	−160	−124	−169	23	46	113	131
Japan	75	80	106	126	+5	+95	+1	+14	80	175	107	140
Non-industrialized countries	*280*	*345*	*645*	*722*	*−260*	*−294*	*−470*	*−540*	*20*	*51*	*175*	*182*
Latin America	242	230	295	298	−237	−222	−220	−230	5	8	75	68
of which : Chile	242	230	241	240	..	−229	−215	−223	..	1	26	17
Africa	25	93	299	371	−20	−85	−277	−346	5	8	22	25
of which : Belgian Congo	..	45	114	126	..	..	..	..	..	..	..	..
Rhodesia	..	37	171	230	..	..	..	..	..	..	..	..
Asia	2	5	18	18	..	+13	+18	+27	..	18	36	45
Oceania	11	17	33	35	−3	—	+9	+9	8	17	42	44
Total world (excluding eastern Europe and China)	2 017	2 070	3 127	3 527	−65	−121	−38	−63	1 952	1 949	3 089	3 464
Eastern Europe and China	40 *	126 *	483	575	+60 *	+130 *	+90	+97	100 *	256 *	573	672

Sources and methods : See Appendix B.

[a] Metal content of extracted ores.

[b] Total production of refined metal obtained from ores, concentrates and scrap. Metal obtained by mere fusion is excluded.

TABLE XXIX

Production, net trade and apparent consumption of lead ore and metal by main areas

Thousands of tons

Commodity and area	Production				Net exports (−) or net imports (+)				Apparent consumption			
	1929	1938	1952–56	1956	1929	1938	1952–56	1956	1929	1938	1952–56	1956
Lead ore [a]												
Western Europe	257	284	317	342								
of which : Western Germany	42 *	68 *	63	66								
Italy	31	41	46	50								
Spain	117	38	56	61								
Sweden	7	9	29	36								
Yugoslavia	12	77	86	90								
United States	588	335	316	316								
Canada	162	222	176	171								
Japan	3	12	23	30								
Non-industrialized countries	*635*	*825*	*921*	*980*								
Latin America	290	379	394	393								
of which : Mexico	249	282	219	200								
Peru	21	58	114	129								
Africa	54	71	211	233								
of which : Morocco	4	20	84	88								
Tunisia	17	18	25	24								
South West Africa	21	18	70	84								
Asia	94	96	41	54								
Oceania	197	279	275	300								
Total world (excluding western Europe and China)	1 645	1 678	1 753	1 839								
Eastern Europe and China	42	101	256	309								
Lead metal												
Western Europe	365	388	589	660	+440 *	+545 *	+183 *	+195 *	805 *	933 *	772 *	855 *
of which : Western Germany	95 *	152 *	148	161	+123 *	+81 *	+10	+16	218 *	233 *	158	177
United Kingdom	11	11	86	96	+264	+383	+160	+163	275	394	246	259
United States	660	340	460	512	+15	+23	+313	+241	675	363	773	753
Canada	138	182	147	134	−103	−158	−87	−72	35	24	60	62
Japan	3	11	33	49	+61	+84	+11	+18	64	95	44	67
Non-industrialized countries	*543*	*603*	*597*	*610*	*−467*	*−536*	*−458*	*−452*	*76*	*67*	*139*	*158*
Latin America	257	262	287	277	−218	−237	−227	−219	39	25	60	58
of which : Mexico	230	222	205	194	−216	−220	−193	−179	14	2	12	15
Peru	19	29	57	60	−18	−29	−57	−59	1	—	—	1
Africa	24	27	69	68	−19	−21	−51	−46	5	6	18	22
Asia	82	87	16	24	−74	−78	—	—	8	9	16	24
Oceania	180	227	225	241	−156	−200	−180	−187	24	27	45	54
Total world (excluding eastern Europe and China)	1 709	1 524	1 826	1 965	−54 *	−42 *	−38 *	−70 *	1 655 *	1 482 *	1788 *	1 895 *
Eastern Europe and China	53 *	118 *	288	340	+55 *	+47 *	+35 *	+55 *	108 *	165 *	323 *	395 *

Sources and methods : See Appendix B.

[a] Metal content of extracted ore.

TABLE XXX

Production, net trade and apparent consumption of tin in concentrates and tin metal by main areas

Thousands of tons

Commodity and area	Production				Net exports (—) or net imports (+)				Apparent consumption			
	1929	1938	1952–56	1956	1929	1938	1952–56	1956	1929	1938	1952–56	1956
Tin in concentrates [a]												
Western Europe	4	4	4	4	+57	+65	+64	+67	61	69	68	71
Japan	1	2	1	1	—	−1	—	—	1	1	1	1
Non-industrialized countries	*187*	*150*	*166*	*164*	*−56*	*−55*	*−85*	*−74*	*131*	*95*	*81*	*90*
Latin America	48	28	32	28	−47	−27	−30	−27	1	1	2	1
of which : Bolivia	47	26	31	27	−47	−26	−30	−27	—	—	1	—
Africa	14	21	25	27	−13	−15	−20	−14	1	6	5	13
of which : Belgian Congo	1	10	15	15	−1	−6	−11	−3	—	4	4	12
Nigeria	11	9	8	9	−11	−7	−8	−10	—	2	—	−1
Asia	123	98	107	107	+4	−13	−35	−33	127	85	72	74
of which : Indonesia	36	30	34	31	−16	−14	−33	−32	20	16	1	−1
Malaya	73	43	60	63	+34	+18	+9	+11	107	61	69	74
Thailand	10	15	11	13	−11	−14	−10	−11	−1	1	1	2
Oceania	2	3	2	2	—	—	—	—	2	3	2	2
Total world (excluding eastern Europe and China)	192	156	171	169	+1	+9	+3	+10	193	165	174	179
Eastern Europe and China	7 *	14 *	19	23	—	—	—	—	7 *	14 *	19	23
Tin metal												
Western Europe	63	68	70	69	−8	−1	−14	−4	55	67	56	65
of which : Belgium	1	7	10	10	+1	−5	−8	−8	2	2	2	2
Netherlands	1	26	28	29	+1	−24	−24	−24	2	2	4	5
United Kingdom	58	33	29	27	−35	−5	−8	−4	23	28	21	23
United States	—	—	26	18	+87	+50	+70	+62	87	50	96	80
Japan	1	2	1	1	+4	+9	+5	+7	5	11	6	8
Non-industrialized countries	*123*	*81*	*78*	*84*	*−110*	*−69*	*−68*	*−72*	*13*	*12*	*10*	*12*
Latin America	—	1	2	2	+3	+1	+3	+3	3	2	5	5
Africa	—	2	4	4	+2	−1	−1	—	2	1	3	4
of which : Belgian Congo	—	2	3	3	—	−2	−2	−1	—	—	1	2
Asia	121	75	70	76	−114	−68	−68	−74	7	7	2	2
of which : Indonesia	14	10	1	2	−13	−7	—	—	1	3	1	2
Malaya	107	65	69	74	−104	−62	−68	−74	3	3	1	—
Oceania	2	3	2	2	−1	−1	−2	−1	1	2	—	1
Total world (excluding eastern Europe and China)	187	151	175	172	−24	−9	−3	−3	163	142	172	169
Eastern Europe and China	8 *	20 *	19	23	+20	+7	+4	+1	28	27	23	24

Sources and methods : See Appendix B.

[a] Metal content.

Table XXXI

Production, net trade and apparent consumption of zinc ore and metal by main areas

Thousands of tons

Commodity and area	Production				Net exports (−) or net imports (+)				Apparent consumption			
	1929	1938	1952–56	1956	1929	1938	1952–56	1956	1929	1938	1952–56	1956
Zinc ore [a]												
Western Europe	269	358	479	542								
of which : Western Germany	74 *	107 *	117	122								
Italy	87	92	116	124								
Spain	53	44	87	86								
Sweden	30	35	54	70								
United States	657	469	497	488								
Canada	90	173	363	381								
Japan	10	22	105	123								
Non-industrialized countries	*466*	*582*	*925*	*1 014*								
Latin America	213	289	442	463								
of which : Mexico	174	172	239	249								
Peru	12	25	149	155								
Africa	42	26	219	250								
of which : Algeria	14	5	24	31								
Belgian Congo	—	6	99	118								
Morocco	1	3	36	40								
Rhodesia	23	10	36	35								
Oceania	157	223	248	282								
Total world (excluding eastern Europe and China)	1 492	1 604	2 369	2 548								
Eastern Europe and China	210	233	433	530								
Zinc metal												
Western Europe	490	620	724	813	+159	+126	+95	+43	649	746	819	856
of which : Belgium	198	210	206	229	−65	−118	−120	−141	133	92	86	88
France	92	61	96	110	+23	+27	+41	+42	115	88	137	152
Western Germany	70 *	175 *	168	191	+70 *	+62 *	+15	+21	140 *	237 *	183	212
Italy	16	34	65	73	+7	—	−14	−13	23	34	51	60
United Kingdom	59	56	78	83	+140	+161	+160	+127	199	217	238	210
United States	567	434	888	964	−13	+6	+148	+214	554	440	1 036	1 178
Canada	78	156	218	232	−60	−120	−169	−166	18	36	49	66
Japan	22	54	100	136	+27	+90	−3	−8	49	144	97	128
Non-industrialized countries	*84*	*122*	*227*	*255*	*−39*	*−52*	*−68*	*−67*	*45*	*70*	*159*	*188*
Latin America	15	36	79	79	+1	−23	−33	−26	16	13	46	53
of which : Mexico	15	36	55	56	−15	−30	−45	−43	—	6	10	13
Peru	—	—	11	10	—	—	−10	−10	—	—	1	—
Africa	12	10	50	71	−11	−4	−33	−47	1	6	17	24
of which : Belgian Congo	—	—	23	42	—	—	−23	−42	—	—	—	—
Rhodesia	12	10	27	29	−12	−7	−27	−29	—	3	—	—
Oceania	53	71	98	105	−32	−39	−34	−34	21	32	64	71
Total world (excluding eastern Europe and China)	1 241	1 386	2 157	2 400	+74	+50	+3	+16	1 315	1 436	2 160	2 416
Eastern Europe and China	216	212	435	523	−50	−46	−13	−28	166	166	422	495

Sources and methods : See Appendix B.

[a] Metal content of extracted ore.

Table XXXII

Production, net trade and apparent consumption of crude petroleum by main areas

Millions of tons

Area	Production			Net exports (−) or net imports (+)			Apparent consumption [a]		
	1929	1938	1952–56	1929	1938	1952–56 [b]	1929	1938	1952–56 [b]
Western Europe [c]	0.2	0.7	8.2	+5.5	+11.9	+89.3	5.7	12.6	97.5
North America	136.3	165.0	340.6	+11.2	−2.1	+32.0	147.5	162.9	372.6
Japan	0.3	0.3	0.3	+0.1	+2.7	+6.4	0.4	3.0	6.7
Non-industrialized countries	*45.1*	*67.1*	*291.7*	*−15.3*	*−12.3*	*−132.2*	*29.8*	*54.8*	*159.5*
Latin America	31.8	40.7	136.2	−11.9	−6.3	−32.9	19.9	34.4	103.3
of which : Venezuela	18.6	25.4	107.7	−17.2	−24.2	−78.5	1.4	1.2	29.2
Africa	0.3	0.2	2.4	—	+0.4	+0.7	0.3	0.6	3.1
Asia	13.0	26.2	153.1	−3.8	−6.7	−102.0	9.2	19.5	51.1
of which : Indonesia	6.0	8.7	10.8	−2.0	−1.7	−0.6	4.0	7.0	10.2
Iraq	0.1	4.4	28.2	—	−4.2	−26.0	0.1	0.2	2.2
Iran	5.7	10.6	9.9	−1.5	−0.4	−4.3	4.2	10.2	5.6
Saudi Arabia	—	0.1	44.6	—	−0.1	−34.3	—	—	10.3
Other Middle East	—	1.1	53.9	—	+0.1	−45.9	—	1.2	8.0
Oceania	—	—	—	+0.4	+0.3	+2.0	0.4	0.3	2.0
Total world (excluding eastern Europe and China)	181.9	233.1	640.8	−0.1 [d]	— [d]	−4.5	181.8	233.1	636.3
Eastern Europe and China	17.1	29.8	64.1 [e]	..	..	..	..	..	..

Sources and methods : See Appendix B.

[a] Figures include raw petroleum consumed by refineries and exported afterwards in the form of petroleum products.

[b] Partly estimates.

[c] Figures for pre-war years include the whole of Germany.

[d] Including unspecified trade amounting in 1929 and 1938 to −1.6 and −0.2 million tons respectively.

[e] Excluding Rumania.

TABLE XXXIII

Foreign trade of six eastern European countries and the Soviet Union by main commodity groups

Millions of current dollars, and percentages in italics

A. BULGARIA

	1948	1949	1950	1951	1952	1953	1954	1955	1956	1956	1957
										January to September	
Exports											
Machinery and transport equipment .	0.1	..	..	..	4	..	5	7	12	7	20
	0.1				*2.2*		*2.1*	*2.9*	*3.5*	*3.2*	*8.1*
Other manufactures (excluding processed food)	1.2	..	..	..	8	..	25	40	52	35	67
	1.0	..	..	..	*4.8*	..	*10.7*	*17.5*	*15.3*	*16.0*	*27.1*
Fuels, raw materials, semi-manufactures and chemical products	13	..	..	..	47	..	55	66	125 *	82 *	70 *
	10.4	..	..	..	*27.6*	..	*23.7*	*28.6*	*36.9*	*37.4*	*27.5*
Food, beverages, tobacco	109	..	..	..	112	..	148	117	150 *	95 *	90 *
	88.5	..	..	..	*65.4*	..	*63.5*	*51.0*	*44.3*	*43.4*	*37.3*
TOTAL	123	90	124	128	171	206	233	230	339	219	247
Imports											
Machinery and transport equipment .	33	47	56	59	63	..	77	79	105	76	64
	25.8	*38.0*	*40.0*	*45.0*	*39.9*	..	*39.2*	*40.7*	*42.3*	*40.2*	*26.0*
Other manufactures (excluding processed food)	17	..	..	..	16	..	22	20	43	..	..
	13.3	..	..	..	*10.1*	..	*11.3*	*10.3*	*17.3*	..	..
Fuels, raw materials, semi-manufactures and chemical products	66	..	..	56	76	98	94	87	96 *	..	..
	51.5	..	..	*43.0*	*48.1*	*49.0*	*47.9*	*44.6*	*38.7*	..	..
Food, beverages, tobacco	12	..	..	..	3	..	3	9	4 *	..	..
	9.4	..	..	..	*1.9*		*1.6*	*4.4*	*1.7*	..	..
TOTAL	128	124	141	131	158	200	196	195	248	189	246
Export surplus (+) or import surplus (−)											
Machinery and transport equipment .	−33	..	..	..	−59	..	−72	−72	−93	−69	−44
Other manufactures (excluding processed food)	−16	..	..	..	−7	..	+3	+20	+9	..	..
Fuels, raw materials, semi-manufactures and chemical products	−53	..	..	..	−30	..	−39	−21	+29	..	..
Food, beverages, tobacco	+97	..	..	..	+109	..	+145	+108	+146	..	..
TOTAL	−5	−34	−17	−3	+13	+6	+37	+35	+91	+30	+1

Sources : Information received from the Bulgarian Government (1948, 1952, 1954, 1955, 1956, January-September 1957); *Vneshna Trgovia*, Supplement to No. 11, 1956, p. 6 (1949 to 1951); *Statistisheski Godishnik*, 1956, p. 83 (totals for 1953, 1956).

TABLE XXXIII (*contd*)

Foreign trade of six eastern European countries and the Soviet Union by main commodity groups

Millions of current dollars, and percentages in italics

B. CZECHOSLOVAKIA

	1948	1949	1950	1951	1952	1953	1954	1955	1956	1956	1957
										January to September	
Exports											
Machinery, equipment, apparatus, instruments and spare parts for production	153	219	206	237	294	421	387	511	559	410	408
	20.3	*27.2*	*26.5*	*28.0*	*33.7*	*42.4*	*38.5*	*43.5*	*40.3*	*42.1*	*43.2*
Other commodities (excluding food) for consumption	231	225	197	173	130	121	146	131	213	123	158
	30.7	*27.9*	*25.3*	*20.5*	*14.9*	*12.2*	*14.6*	*11.1*	*15.4*	*12.6*	*16.8*
Fuels and raw materials	328	298	277	313	353	367	390	462	512	366	329
	43.5	*37.0*	*35.5*	*37.0*	*40.4*	*36.8*	*38.8*	*39.3*	*36.9*	*37.6*	*34.9*
Food and live animals	41	64	99	122	97	85	82	72	103	74	48
	5.5	*7.9*	*12.7*	*14.5*	*11.0*	*8.6*	*8.1*	*6.1*	*7.4*	*7.6*	*5.1*
TOTAL	753	806	779	845	874	994	1 005	1 176	1 387	973	943
Imports											
Machinery, equipment, apparatus, instruments and spare parts for production	49	52	71	94	105	123	112	140	203	151	169
	7.2	*7.3*	*11.2*	*10.4*	*12.1*	*14.1*	*12.0*	*13.3*	*17.2*	*17.1*	*17.2*
Other commodities (excluding food) for consumption	18	12	17	18	25	13	22	43	37	28	34
	2.7	*1.7*	*2.6*	*2.0*	*2.8*	*1.5*	*2.4*	*4.1*	*3.2*	*3.2*	*3.5*
Fuels and raw materials	385	464	390	518	518	477	493	565	653	483	564
	56.5	*64.6*	*61.0*	*57.8*	*59.1*	*54.2*	*52.8*	*53.6*	*55.0*	*54.9*	*57.1*
Food and live animals	229	190	161	267	228	266	306	305	293	219	220
	33.6	*26.4*	*25.2*	*29.8*	*26.0*	*30.2*	*32.8*	*29.0*	*24.6*	*24.8*	*22.2*
TOTAL	681	718	639	897	876	879	933	1 053	1 186	881	987
Export surplus (+) or import surplus (–)											
Machinery, equipment, apparatus, instruments and spare parts for production	+104	+167	+135	+143	+189	+298	+275	+371	+356	+259	+239
Other commodities (excluding food) for consumption	+213	+213	+180	+155	+105	+108	+124	+88	+176	+95	+124
Fuels and raw materials	–57	–166	–113	–205	–165	–110	–103	–103	–141	–117	–235
Food and live animals	–188	–126	–62	–145	–131	–181	–224	–233	–190	–145	–172
TOTAL	+72	+88	+140	–52	–2	+115	+72	+123	+201	+92	–44

Sources : Statistická Ročenka ČSR, 1957, p. 203 and information received from the Czechoslovak Government (in Table XXXV imports in 1948 are given c.i.f., which explains the differences).

NOTE. — The classification is that adopted by the Council for Mutual Economic Aid. Values are free frontier of supplying country.

TABLE XXXIII (*contd*)

Foreign trade of six eastern European countries and the Soviet Union by main commodity groups

Millions of current dollars, and percentages in italics

C. EASTERN GERMANY

	1950	1951	1952	1953	1954	1955	1956	1956 January to September	1957 January to September
Exports									
Engineering products	129	339	368	606	796	772	802	..	..
	31.8	*47.5*	*49.8*	*62.7*	*62.2*	*60.4*	*57.0*	..	..
Other manufactures	56	81	68	71	95	100	..	..	..
	13.8	*11.4*	*9.2*	*7.3*	*7.4*	*7.8*	..	..	..
Raw materials and semi-finished products	193	255	263	280	345	380	..	..	..
	47.5	*35.8*	*35.6*	*29.0*	*27.0*	*29.8*	..	..	..
Food and tobacco	28	38	40	10	44	26	..	..	..
	6.9	*5.3*	*5.4*	*1.0*	*3.4*	*2.0*	..	..	..
TOTAL	406	713	739	967	1 280	1 278	1 407	945	1213
Imports									
Engineering products	38	32	43	51	52	55	..	..	..
	8.1	*5.3*	*5.6*	*5.2*	*4.7*	*4.7*	..	..	..
Other manufactures	51	84	140	145	189	210	..	..	..
	10.8	*13.8*	*18.1*	*14.8*	*17.2*	*17.9*	..	..	..
Raw materials and semi-finished products	233	266	313	385	440	485	..	..	..
	49.6	*43.7*	*40.5*	*39.1*	*40.2*	*41.3*	..	..	..
Food and tobacco	148	226	277	402	415	423	493	..	..
	31.5	*37.2*	*35.8*	*40.9*	*37.9*	*36.1*	*37.0*	..	..
TOTAL	470	608	773	983	1 096	1 173	1 334	936	1134
Export surplus (+) or import surplus (−)									
Engineering products	+91	+307	+325	+555	+744	+717	..	..	..
Other manufactures	+5	−3	−72	−74	−94	−110	..	..	..
Raw materials and semi-finished products	−40	−11	−50	−105	−95	−105	..	..	..
Food and tobacco	−120	−188	−237	−392	−371	−397	..	..	..
TOTAL	−64	+105	−34	−16	+184	+105	+73	+9	+79

Sources : *Statistisches Jahrbuch der Deutschen Demokratischen Republik*, 1955, p. 243-245; *Vierteljahrshefte zur Statistik der DDR*, No. 1, 1957, p. 3; *Statistische Praxis*, No. 5, 1957, p. 88.

NOTE. — This classification differs from that of the Council for Mutual Economic Aid by grouping consumers' durable goods with engineering products, textile raw materials with other manufactures and all chemical products with raw materials and semi-finished products.

Table XXXIII (*contd*)

Foreign trade of six eastern European countries and the Soviet Union by main commodity groups

Millions of current dollars, and percentages in italics

D. HUNGARY

	1949	1950	1951	1952	1953	1954	1955	1956	1956	1957
									January to September	
Exports										
Machinery, equipment, apparatus, instruments and spare parts for production	49	74	91	115	177	172	179	149	..	..
	17.4	*22.5*	*23.0*	*25.9*	*35.2*	*32.7*	*29.4*	*30.3*	..	..
Other commodities (excluding food) for consumption	48	65	92	89	101	94	98	76	..	..
	17.2	*19.8*	*23.2*	*20.2*	*20.1*	*17.9*	*16.2*	*15.4*	..	..
Fuels and raw materials	62	61	77	91	100	106	146	115	..	..
	22.2	*18.4*	*19.3*	*20.5*	*20.0*	*20.3*	*23.9*	*23.2*	..	..
Food and live animals	121	129	136	148	125	153	186	153	..	..
	43.2	*39.3*	*34.5*	*33.4*	*24.7*	*29.1*	*30.5*	*31.1*	..	..
Total	280	329	396	443	503	525	609	493	440	325
Imports										
Machinery, equipment, apparatus, instruments and spare parts for production	50	66	83	96	88	74	61	56	..	..
	17.4	*20.8*	*20.9*	*21.6*	*18.7*	*14.4*	*11.4*	*12.2*	..	..
Other commodities (excluding food) for consumption	8	11	7	7	8	18	18	18	..	..
	2.7	*3.5*	*1.9*	*1.7*	*1.7*	*3.6*	*3.4*	*4.1*	..	..
Fuels and raw materials	220	228	275	315	319	350	361	323	..	..
	76.4	*72.1*	*69.8*	*71.1*	*67.7*	*68.1*	*67.6*	*70.8*	..	..
Food and live animals	10	11	29	25	56	71	94	59	..	..
	3.5	*3.6*	*7.4*	*5.6*	*11.9*	*13.9*	*17.6*	*12.9*	..	..
Total	288	316	394	443	471	513	534	456	388	510
Export surplus (+) or import surplus (−)										
Machinery, equipment, apparatus, instruments and spare parts for production	−1	+8	+8	+19	+89	+98	+118	+93	..	..
Other commodities (excluding food) for consumption	+40	+54	+85	+82	+93	+76	+80	+58	..	..
Fuels and raw materials	−158	−167	−198	−224	−219	−244	−215	−208	..	..
Food and live animals	+111	+118	+107	+123	+ 69	+82	+92	+94	..	..
Total	−8	+13	+2		+32	+12	+75	+37	+52	−185

Sources : Statisztikai évkönyv, 1949-1955, pp. 256-257; *Statisztikai havi Közlemények*, No. 1, 1957, p. 62.

Note. — Exports include re-exports. Values up to 1951 are c.i.f. for imports and f.o.b. for exports; from 1952, imports and exports are valued at point of change of ownership which frequently means that imports are f.o.b. and exports c.i.f. The classification is that adopted by the Council for Mutual Economic Aid.

TABLE XXXIII (*contd*)

Foreign trade of six eastern European countries and the Soviet Union by main commodity groups

Millions of current dollars, and percentages in italics

E. POLAND

	1948	1949	1950	1951	1952	1953	1954	1955	1956	1956	1957
										January to September	
Exports											
Machinery, equipment, apparatus, instruments and spare parts for production	..	15	73	..	..	102	96	120	154	..	141
		2.4	*11.3*	..	..	*12.3*	*11.1*	*13.0*	*15.6*	..	*19.4*
Fuels and raw materials	..	425				480	535	592	628	..	462
	..	*68.7*	..	..	..	*57.8*	*61.6*	*64.4*	*63.8*	..	*63.7*
Other commodities (excluding food) for consumption	..	51	..	..	..		81	67	88	..	46
	..	*8.2*	..	..	..		*9.3*	*7.3*	*8.9*	..	*6.4*
Food and live animals	..	128	152	126	144	169	157	141	115	..	76
	..	*20.7*	*24.1*	*16.5*	*18.6*	*20.3*	*17.9*	*15.3*	*11.7*	..	*10.5*
TOTAL	531	619	630	762	775	831	869	920	985	..	725
Imports											
Machinery, equipment, apparatus, instruments and spare parts for production	93	158	214	305	302	310	294	288	339	..	199
	18.0	*25.0*	*32.0*	*33.0*	*35.0*	*40.0*	*32.5*	*30.9*	*33.2*	..	*22.5*
Fuels and raw materials	..	..	..	415	..	..	457	482	497	..	472
	..	..	..	*44.9*	..	..	*50.6*	*51.7*	*48.6*	..	*53.2*
Other commodities (excluding food) for consumption	..	..	..	122	..	..	31	40	59	..	44
	..	..	..	*13.2*	..	..	*3.4*	*4.3*	*5.8*	..	*4.9*
Food and live animals	..	65	75	82	102	52	122	122	127	..	172
	..	*10.3*	*11.2*	*8.9*	*11.8*	*6.7*	*13.5*	*13.1*	*12.4*	..	*19.4*
TOTAL	517	633	668	924	863	774	904	932	1 022	..	887
Export surplus (+) or import surplus (−)											
Machinery, equipment, apparatus, instruments and spare parts for production	..	−143	−141	..	..	−208	−198	−168	−185	..	−58
Fuels and raw materials	..	..	..	..	..	..	+78	+110	+131	..	−10
Other commodities (excluding food) for consumption	..	..	..	..	..	..	+50	+27	+29	..	+2
Food and live animals	..	+63	+77	+44	+42	+117	+35	+19	−12	..	−96
TOTAL	+14	−14	−38	−162	−88	+57	−35	−12	−37	..	−162

Sources : *Handel Zagraniczny*, No. 5, 1956, p. 15 and No. 7, 1956, p. 6 (for totals, 1948 to 1953 and trade in food, 1949 to 1953) ; Radio Warszawa, 8 November 1954; *Polish Foreign Trade*, No. 37, 1956, p. 9 (for details in 1948, 1949 and 1953); *Vneshnyaya Torgovlya*, No. 2, 1953, p. 7, and *Der Aussenhandel*, 11 August 1954 (details in 1950 and 1952); *Vneshnyaya Torgovlya*, No. 7, 1955, p. 3 (for details in 1951); and information received from the Polish Government (all information from 1954 onwards); *Biuletyn Statystyczny*, No. 12, 1957, p. 29.

NOTE. — The classification is that adopted by the Council for Mutual Economic Aid.

TABLE XXXIII (*contd*)

Foreign trade of six eastern European countries and the Soviet Union by main commodity groups

Millions of current dollars, and percentages in italics

F. RUMANIA

	1948	1953	1956
Exports			
Machinery, equipment, apparatus, instruments and spare parts for production	1.2 *	28.3 *	39.9 *
	0.8	*8.3*	*10.1*
Other commodities (excluding food) for consumption	0.3 *	14.3 *	13.8 *
	0.2	*4.2*	*3.5*
Fuels and raw materials	73.4 *	241.4 *	247.3 *
	50.3	*70.8*	*62.6*
Food and live animals	71.1 *	57.0	94.0 *
	48.7	*16.7*	*23.8*
TOTAL	146 *	341 *	395 *
Imports			
Machinery, equipment, apparatus, instruments and spare parts for production	30.9 *	160.2 *	72.2 *
	24.5	*41.6*	*20.5*
Other commodities (excluding food) for consumption	9.6 *	12.7 *	15.5 *
	7.6	*3.3*	*4.4*
Fuels and raw materials	79.5 *	201.7 *	240.1 *
	63.1	*52.4*	*68.2*
Food and live animals	6.0 *	10.4 *	24.3 *
	4.8	*2.7*	*6.9*
TOTAL	126 *	385 *	352 *
Export surplus (+) or import surplus (−)			
Machinery, equipment, apparatus, instruments and spare parts for production	−29.7 *	−131.9 *	−32.3 *
Other commodities (excluding food) for consumption	−9.3 *	+1.6 *	−1.7 *
Fuels and raw materials	−6.1 *	+39.7 *	+7.2 *
Food and live animals	+65.1 *	+46.5 *	+69.7 *
TOTAL	+20 *	−44 *	+43 *

Sources : Appendix Tables XXXV and XXXVI, and *Probleme Economice*, 12/1957, p. 33.

NOTE. — The classification is that adopted by the Council for Mutual Economic Aid.

TABLE XXXIII (*concluded*)

Foreign trade of six eastern European countries and the Soviet Union by main commodity groups

Millions of current dollars, and percentages in italics

G. SOVIET UNION

	1928	1938	1950	1955	1956
Exports					
Machinery and equipment	0.1	10	293	843	716
	0.1	*5.0*	*16.3*	*24.3*	*19.5*
Consumers' goods [a]	105	27	160	236	205
	16.1	*13.2*	*8.9*	*6.8*	*5.6*
Fuels and raw materials	410	119	910	1 991	2 425
	63.1	*57.7*	*50.7*	*57.4*	*66.1*
Some main items of food [b]	135	50	432	399	323
	20.7	*24.1*	*24.1*	*11.5*	*8.8*
TOTAL	650	206	1 795	3 469	3 669
Imports					
Machinery and equipment	157	91	394	1 080	961
	23.9	*34.5*	*27.1*	*35.3*	*26.6*
Consumers' goods [a]	42	7	140	331	473
	6.4	*2.6*	*9.6*	*10.8*	*13.1*
Fuels and raw materials	446	159	824	1 365	1 991
	67.8	*60.7*	*56.6*	*44.6*	*55.1*
Some main items of food [b]	13	6	98	285	188
	1.9	*2.2*	*6.7*	*9.3*	*5.2*
TOTAL	658	263	1 456	3 061	3 613
Export surplus (+) or import surplus (−)					
Machinery and equipment	−157	−81	−101	−237	−245
Consumers' goods	+63	+20	+20	−95	−268
Fuels and raw materials	−36	−40	+86	+626	+434
Some main items of food	+122	+44	+334	+114	+135
TOTAL	−8	−57	+339	+408	+56

Sources : Dostizhenia sovetskoi vlasti za 40 let v tsifrakh, Moscow, 1957, p. 31; *Narodnoe Khozyaistvo S.S.S.R. v 1956 godu*, p. 240.

NOTE. — Figures for 1928 have been recalculated on the basis of the 1934 parity of the U.S. dollar.

[a] Excluding items listed under *b*.

[b] Including exports and imports of sugar, meat, milk products and eggs, as well as exports of grain and imports of fruit and vegetables.

Table XXXIV

Foreign trade of four eastern European countries by main trade areas and main commodity groups

Millions of current dollars, and percentages in italics

A. BULGARIA

	Eastern trade area					Western Europe					Overseas countries				
	1948	1952	1954	1955	1956	1948	1952	1954	1955	1956	1948	1952	1954	1955	1956
Exports															
Machinery and transport equipment	—	4	5	7	12	0.1	—	—	—	—	—	—	—	—	—
	—	*3*	*3*	*3*	*4*	—	—	—	—	—	—	—	—	—	—
Other manufactures (excluding processed foods)	0.8	7	24	38	48	0.4	1	1	1	2	—	—	—	1	2
	1	*5*	*12*	*19*	*16*	*1*	*6*	*3*	*4*	*6*	—	—	—	*25*	*22*
Fuels, raw materials, semi-manufactures and chemical products	9	44	50	59	110 *	4	2	4	5	10 *	—	1	1	2	5 *
	10	*29*	*25*	*29*	*37*	*13*	*12*	*13*	*22*	*29*	—	*50*	*50*	*50*	*56*
Food, beverages and tobacco	81	97	122	99	126 *	26	14	25	17	22 *	2	1	1	1	2 *
	89	*63*	*60*	*49*	*43*	*86*	*82*	*84*	*74*	*65*	*100*	*50*	*50*	*25*	*22*
Total	91	152	201	203	296	30	17	30	23	34	2	2	2	4	9
Imports															
Machinery and transport equipment	25	57	71	74	98	7	5	6	5	7	1	—	—	—	—
	24	*41*	*41*	*44*	*49*	*33*	*31*	*25*	*20*	*18*	*33*	—	—	—	—
Other manufactures	12	13	19	17	. .	5	3	3	3	. .	—	—	—	—	. .
	12	*9*	*11*	*10*	. .	*24*	*19*	*13*	*12*	. .	—	—	—	—	. .
Fuels, raw materials, semi-manufactures and chemical products	56	68	80	72	. .	8	7	13	15	. .	2	2	1	—	. .
	54	*49*	*47*	*43*	. .	*38*	*44*	*54*	*60*	. .	*67*	*100*	*100*	—	. .
Food, beverages and tobacco	11	2	1	5	. .	1	1	2	2	. .	—	—	—	2	. .
	10	*1*	*1*	*3*	. .	*5*	*6*	*8*	*8*	. .	—	—	—	*100*	. .
Total	104	140	171	168	202	21	16	24	25	39	3	2	1	2	7

Source : Information received from the Bulgarian Government.

Table XXXIV (*continued*)

Foreign trade of four eastern European countries by main trade areas and main commodity groups

Millions of current dollars, and percentages in italics

B. CZECHOSLOVAKIA

	Eastern trade area [a]						Western Europe						Overseas countries					
	1948	1952	1955	1956	1956 [b]	1957 [b]	1948	1952	1955	1956	1956 [b]	1957 [b]	1948	1952	1955	1956	1956 [b]	1957 [b]
Exports																		
Machinery, equipment, apparatus, instruments and spare parts for production	81	263	423	387	272	298	49	19	28	40	29	40	22	13	61	131	109	70
	27	*42*	*52*	*43*	*44*	*49*	*16*	*11*	*14*	*16*	*17*	*21*	*14*	*17*	*37*	*55*	*58*	*48*
Other commodities (except food) for consumption	76	69	43	116	54	76	80	30	41	42	30	36	75	30	46	55	39	46
	25	*11*	*5*	*13*	*9*	*13*	*26*	*18*	*21*	*17*	*18*	*19*	*50*	*40*	*28*	*23*	*21*	*31*
Fuels and raw materials	127	266	313	337	241	215	152	71	99	131	92	91	48	17	49	44	33	24
	43	*42*	*39*	*37*	*39*	*35*	*51*	*42*	*49*	*53*	*53*	*48*	*32*	*23*	*29*	*19*	*18*	*16*
Food and live animals	14	31	30	60	48	17	22	50	33	35	21	23	6	15	10	8	5	7
	5	*5*	*4*	*7*	*8*	*3*	*7*	*29*	*16*	*14*	*12*	*12*	*4*	*20*	*6*	*3*	*3*	*5*
Total	298	629	809	900	615	606	303	170	201	248	172	190	151	75	166	238	186	147
Imports																		
Machinery, equipment, apparatus, instruments and spare parts for production	3	71	129	180	137	144	38	34	10	23	13	25	8	—	—	1	—	1
	1	*11*	*17*	*23*	*24*	*21*	*14*	*18*	*6*	*10*	*8*	*13*	*6*	—	—	*1*	—	*1*
Other commodities (except food) for consumption	5	16	39	31	24	27	12	8	4	6	4	6	2	—	—	—	—	1
	2	*3*	*5*	*4*	*4*	*4*	*4*	*4*	*2*	*3*	*2*	*3*	*2*	—	—	—	—	*1*
Fuels and raw materials	119	330	379	407	296	340	161	124	97	145	109	131	105	64	89	101	78	93
	44	*53*	*51*	*51*	*51*	*50*	*57*	*67*	*57*	*63*	*64*	*67*	*80*	*93*	*70*	*62*	*58*	*81*
Food and live animals	144	203	206	174	119	166	69	20	60	57	44	33	16	5	40	61	56	20
	53	*33*	*27*	*22*	*21*	*25*	*25*	*11*	*35*	*24*	*26*	*17*	*12*	*7*	*30*	*37*	*42*	*17*
Total	271	620	753	792	576	677	280	186	171	231	170	195	131	69	129	163	134	115

Source : Information received from the Czechoslovak Government.

[a] Including Yugoslavia.

[b] First nine months.

Table XXXIV (*continued*)

Foreign trade of four eastern European countries by main trade areas and main commodity groups

Millions of current dollars, and percentages in italics

C. EASTERN GERMANY

	Eastern trade area						Western trade area					
	1950	1951	1952	1953	1954	1955	1950	1951	1952	1953	1954	1955
Exports												
Engineering products	105	308	333	564	743	690	24	30	35	42	54	82
	38	*55*	*60*	*74*	*74*	*73*	*19*	*20*	*19*	*21*	*20*	*25*
Other manufactures	33	60	45	36	47	43	23	21	23	35	48	58
	12	*11*	*8*	*5*	*5*	*5*	*18*	*14*	*13*	*17*	*17*	*17*
Raw material and semi-finished manufactures	127	169	161	160	200	200	66	86	102	120	145	180
	46	*30*	*29*	*21*	*20*	*21*	*51*	*57*	*55*	*59*	*52*	*53*
Food and tobacco	12	25	16	3	13	7	16	13	24	7	31	18
	4	*4*	*3*	—	*1*	*1*	*12*	*9*	*13*	*3*	*11*	*5*
Total	277	562	555	763	1 003	940	129	150	184	204	278	338
Imports												
Engineering products	17	14	25	30	28	22	21	18	18	21	25	33
	5	*3*	*4*	*4*	*4*	*3*	*19*	*11*	*9*	*9*	*9*	*10*
Other manufactures	42	76	112	113	145	161	8	8	28	32	43	50
	12	*17*	*19*	*15*	*18*	*19*	*7*	*5*	*15*	*14*	*15*	*14*
Raw material and semi-finished manufactures	167	197	241	302	341	367	66	70	72	83	99	117
	47	*44*	*42*	*40*	*42*	*44*	*58*	*43*	*37*	*35*	*34*	*34*
Food and tobacco	130	157	202	305	294	278	18	68	75	97	121	145
	36	*36*	*35*	*41*	*36*	*34*	*16*	*41*	*39*	*42*	*42*	*42*
Total	356	444	580	750	808	828	113	164	193	233	288	345

Sources : ***Statistisches Jahrbuch der Deutschen Demokratischen Republik,*** 1955, p. 243 and ***Statistische Praxis,*** No. 5, 1957, p. 88.

Note. — This classification differs from that of the Council for Mutual Economic Aid by grouping consumers' durable goods with engineering products, textile raw materials with other manufactures and all chemical products with raw materials and semi-finished products.

TABLE XXXIV (*concluded*)

Foreign trade of four eastern European countries by main trade areas and main commodity groups

Millions of current dollars, and percentages in italics

D. HUNGARY

	Eastern trade area					Western Europe					Overseas countries				
	1948	1952	1954	1955	1956	1948	1952	1954	1955	1956	1948	1952	1954	1955	1956
Exports															
Machinery, equipment, apparatus, instruments and spare parts for production	..	107	160	162	134	..	..	4	5	5	..	..	8	12	10
	..	*32.8*	*41.4*	*40.0*	*43.7*	..	..	*3.7*	*3.5*	*3.3*	..	..	*23*	*24*	*26*
Other commodities (excluding food) for consumption	..	61	58	54	37	..	..	18	25	21	..	..	18	20	18
	..	*18.7*	*14.9*	*13.2*	*12.2*	..	..	*17.2*	*16.1*	*14.6*	..	..	*52*	*39*	*47*
Fuels and raw materials	..	66	82	87	69	..	..	20	42	37	..	..	5	16	9
	..	*20.4*	*21.3*	*21.5*	*22.5*	..	..	*18.8*	*27.3*	*24.8*	..	..	*14*	*31*	*24*
Food and live animals	..	91	86	102	67	..	..	62	81	85	..	..	4	3	1
	..	*28.1*	*22.4*	*25.3*	*21.6*	..	..	*60.3*	*53.1*	*57.3*	..	..	*11*	*6*	*3*
TOTAL	58	325	386	405	307	95	91	104	153	148	12	27	35	51	38
Imports															
Machinery, equipment, apparatus, instruments and spare parts for production	..	74	60	51	46	..	..	13	10	8	..	..	—	—	2
	..	*23.2*	*17.3*	*17.3*	*16.2*	..	..	*9.5*	*5.0*	*5.6*	..	..	..	..	*7*
Other commodities (excluding food) for consumption	..	5	15	14	16	..	..	3	4	3	..	..	—	1	—
	..	*1.6*	*4.4*	*4.8*	*5.6*	..	..	*2.1*	*2.1*	*1.9*	..	..	..	*3*	..
Fuels and raw materials	..	225	250	209	206	..	..	85	125	100	..	..	14	27	17
	..	*69.9*	*71.8*	*71.1*	*72.7*	..	..	*60.2*	*61.6*	*69.0*	..	..	*61*	*69*	*61*
Food and live animals	..	17	23	20	15	..	..	40	63	34	..	..	9	11	9
	..	*5.3*	*6.5*	*6.8*	*5.5*	..	..	*28.2*	*31.3*	*23.5*	..	..	*39*	*28*	*32*
TOTAL	57	321	348	294	283	98	106	141	202	145	13	16	23	39	28

Sources : *Statisztikai évkönyv*, 1949-1955, pp. 256-257; *Statisztikai havi közlemények*, No. 1, 1957, p. 62; *Statisztikai Szemle*, No. 3, 1957, pp. 226-229.

NOTE. — The figures for the eastern trade area also include Yugoslavia. The commodity classification is that of the Council for Mutual Economic Aid.

Table XXXV

Imports of eastern European countries and the Soviet Union by main trade areas

Millions of current dollars, and percentages in italics

	1948	1950	1951	1952	1953	1954	1955	1956	1956	1957
									Jan. to Sept.	
Bulgaria										
From eastern trade area	104	120	121	140	174	171	168	202	151	199
	81	*85*	*92*	*89*	*87*	*87*	*86*	*81*	*80*	*81*
From western Europe	21	20	9	16	24 *	24	25	39	31	40
	17	*14*	*7*	*10*	*12*	*12*	*13*	*16*	*16*	*16*
From overseas countries	3	1	1	2	2 *	1	2	7	7	8
	2	*1*	*1*	*1*	*1*	*1*	*1*	*3*	*4*	*3*
Total	128	141	131	158	200	196	195	248	189	247
Czechoslovakia										
From eastern trade area	234	345	538	621	694	698	745	785	570	675
	31	*54*	*60*	*71*	*79*	*75*	*71*	*66*	*65*	*68*
From western Europe	379	214 *	269 *	186	120 *	150	179	238	176	197
	50	*33*	*30*	*21*	*14*	*16*	*17*	*20*	*20*	*20*
From overseas countries	144	80 *	90 *	69	65 *	85	129	163	134	115
	19	*13*	*10*	*8*	*7*	*9*	*12*	*14*	*15*	*12*
Total	757	639	897	876	879	933	1 053	1 186	880	987
Eastern Germany										
From eastern trade area	117	357	444	580	750	808	827	960	675	819
	76	*76*	*73*	*75*	*76*	*74*	*70*	*72*	*72*	*72*
From western Europe	35	105	152	178 *	216	271	316	327	231 *	248 *
	23	*22*	*25*	*23*	*22*	*25*	*27*	*25*	*25*	*22*
From overseas countries	2	8 *	12 *	15 *	17	17	30	47	30 *	67 *
	1	*2*	*2*	*2*	*2*	*1*	*3*	*3*	*3*	*6*
Total	154	470	608	773	983	1 096	1 173	1 334	936	1 134
Hungary										
From eastern trade area	57	179	259	321	345	348	291	277	227 *a*	370 *a*
	34	*56*	*66*	*72*	*73*	*68*	*55*	*61*	*59*	*73*
From western Europe	98	116	107	106	112	141	204	155	*161*	140
	58	*37*	*27*	*24*	*24*	*27*	*38*	*34*	*41*	*27*
From overseas countries	13	21	28	16	14	24	39	24		
	8	*7*	*7*	*4*	*3*	*5*	*7*	*5*		
Total	168	316	394	443	471	513	534	456	388	510
Poland										
From eastern trade area	219	408	535	583	557	641	599	668	..	530 *a*
	42	*61*	*58*	*68*	*72*	*71*	*64*	*66*	..	*60*
From western Europe	226	200 *	314 *	220 *	167 *	195	259	270	..	357
	44	*30*	*34*	*25*	*22*	*22*	*28*	*26*	..	*40*
From overseas countries	72	60 *	75 *	60 *	50 *	68	74	84	..	
	14	*9*	*8*	*7*	*6*	*7*	*8*	*8*	..	
Total	517	668	924	863	774	904	932	1 022	..	887
Rumania										
From eastern trade area	76 *	194 *	204 *	255 *	323 *	270 *	303 *	275 *	..	..
	60	*79*	*76*	*78*	*84*	*80*	*79*	*78*	..	..
From western Europe	34 *	43 *	53 *	63 *	55 *	48 *	56 *	56 *	..	..
	27	*18*	*20*	*19*	*14*	*14*	*15*	*16*	..	..
From overseas countries	16 *	8 *	11 *	9 *	7 *	20 *	25 *	21 *	..	..
	13	*3*	*4*	*3*	*2*	*6*	*6*	*6*	..	..
Total	126 *	245 *	268 *	327 *	385 *	338 *	384 *	352 *	..	..
Soviet Union										
From eastern trade area	..	1 136	..	..	..	..	2 399	2 692	..	..
	..	*78*	..	..	..	..	*78*	*75*	..	..
From western Europe	..	140 *	..	..	..	..	400 *	521 *	..	..
	..	*10*	..	..	..	..	*13*	*14*	..	..
From overseas countries	..	180 *	..	..	..	..	262 *	400 *	..	..
	..	*12*	..	..	..	..	*9*	*11* *	..	..
Total	..	1 456	..	..	..	..	3 061	3 613	..	..

Sources : See Appendix Table XXXVI.

Note. — All figures refer to total trade, including imports for re-export. Values for Czechoslovakia and the Soviet Union are free frontier of supplying country except for Czechoslovakia in 1948 when imports were c.i.f.; for eastern Germany, imports are c.i.f. and exports f.o.b.; for Hungary up to 1951, imports are c.i.f. and exports f.o.b.; from 1952, imports and exports are valued at point of change of ownership which frequently means that imports are f.o.b. and exports c.i.f.; for Bulgaria and Poland the valuations are probably as for Hungary since 1952.

[a] Not including Albania and Asian countries in the area other than China.

TABLE XXXVI

Exports of eastern European countries and the Soviet Union by main trade areas

Millions of current dollars, and percentages in italics

	1948	1950	1951	1952	1953	1954	1955	1956	1956	1957
									Jan. to Sept.	
Bulgaria										
To eastern trade area	91	106	113	152	174	201	203	296	189	209
	74	*86*	*88*	*89*	*84*	*86*	*88*	*87*	*86*	*85*
To western Europe	30	15	13	17	30 *	30	23	34	24	31
	24	*12*	*10*	*10*	*15*	*13*	*10*	*10*	*11*	*12*
To overseas countries	2	3	2	2	2	2	4	9	6	7
	2	*2*	*2*	*1*	*1*	*1*	*2*	*3*	*3*	*3*
TOTAL	123	124	128	171	206	233	230	339	219	247
Czechoslovakia										
To eastern trade area	245	405	507	629	774	750	803	886	605	593
	33	*52*	*60*	*72*	*78*	*75*	*68*	*64*	*62*	*63*
To western Europe	357	254 *	213 *	170	135 *	161	208	263	182	203
	47	*33*	*25*	*19*	*13*	*16*	*18*	*19*	*19*	*21*
To overseas countries	151	120 *	125 *	75	85 *	94	165	238	186	147
	20	*15*	*15*	*9*	*9*	*9*	*14*	*17*	*19*	*16*
TOTAL	753	779	845	874	994	1 005	1 176	1 387	973	943
Eastern Germany										
To eastern trade area	105	277	562	555	763	1 002	938	1 039	689	892
	74	*68*	*79*	*75*	*79*	*78*	*74*	*74*	*73*	*74*
To western Europe	35 *	121 *	137 *	168 *	186	252	298	310 *	215 *	265 *
	25	*30*	*19*	*23*	*19*	*20*	*23*	*22*	*23*	*22*
To overseas countries	2 *	8 *	14 *	16 *	18	26	42	58 *	41 *	56 *
	1	*2*	*2*	*2*	*2*	*2*	*3*	*4*	*4*	*4*
TOTAL	142	406	713	739	967	1 280	1 278	1 407	945	1 213
Hungary										
To eastern trade area	58	217	273	325	396	386	401	310	269 *a*	197 *a*
	35	*66*	*69*	*73*	*79*	*73*	*66*	*63*	*61*	*61*
To western Europe	95	91	96	91	81	104	157	158		
	58	*28*	*24*	*21*	*16*	*20*	*26*	*32*	171	128
To overseas countries	12	21	27	27	26	35	51	25	*39*	*39*
	7	*6*	*7*	*6*	*5*	*7*	*8*	*5*		
TOTAL	165	329	396	443	503	525	609	493	440	325
Poland										
To eastern trade area	213	360	434	506	566	598	565	573	..	408 *a*
	40	*57*	*57*	*65*	*68*	*69*	*61*	*58*	..	*56*
To western Europe	283	242 *	300	242 *	223	211	276	340	..	
	53	*39*	*39*	*31*	*27*	*24*	*30*	*35*	..	317
To overseas countries	35	28 *	28 *	27 *	42	60	79	72	..	*44*
	7	*4*	*4*	*4*	*5*	*7*	*9*	*7*	..	
TOTAL	531	630	762	775	831	869	920	985	..	725
Rumania										
To eastern trade area	117 *	184 *	218 *	277 *	286 *	280 *	309 *	308 *	..	..
	80	*89*	*84*	*93*	*84*	*80*	*79*	*78*	..	..
To western Europe	26 *	16 *	35 *	19 *	45 *	56 *	66 *	69 *	..	..
	18	*8*	*14*	*6*	*13*	*16*	*17*	*17*	..	..
To overseas countries	3 *	7 *	6 *	2 *	10 *	14 *	16 *	18 *	..	..
	2	*3*	*2*	*1*	*3*	*4*	*4*	*5*	..	..
TOTAL	146 *	207 *	259 *	298 *	341 *	350 *	391 *	395 *	..	..
Soviet Union										
To eastern trade area	..	1 500	..	..	..	..	2 753	2 713	..	..
	..	*83*	..	..	..	..	*79*	*74*	..	..
To western Europe	..	175 *	..	..	..	..	563 *	667 *	..	..
	..	*10*	..	..	..	..	*16*	*18*	..	..
To overseas countries	..	120 *	..	..	..	..	153 *	289 *	..	..
	..	*7*	..	..	..	..	*5*	*8*	..	..
TOTAL	..	1 795	..	..	..	..	3 469	3 669	..	..

Sources : Direct communications from the Governments of Bulgaria, Czechoslovakia, eastern Germany, Hungary and Poland; statistical yearbooks; *Zahraniczny Obchod*, No. 6, 1957; *Biuletyn Statystyczny*, No. 12, 1957, p. 29; *Razvitie ekonomiki evropeiskich stran narodnoi demokratii*, 1956, pp. 194-195, *La Roumanie Nouvelle*, 15 February 1957, p. 4, and Annex Table VI-A. *Statisztikai havi Közlemények*, No. 9, 1957 (for Hungary in 1956 and 1957); *Dostizhenia sovetskoi vlasti za 40 let v tsifrakh*, Moscow, 1957 and *Vneshnyaya Torgovlya*, Nos. 10 and 11, 1957.

NOTE. — See Appendix Table XXXV for general notes.

a Not including Albania and Asian countries in the area other than China.

TABLE XXXVII

National income and foreign trade in Bulgaria, Czechoslovakia, Hungary and Poland

	Unit	Values			Index numbers (1950=100)					
		1950	1955	1956	1951	1952	1953	1954	1955	1956
Bulgaria										
National income . .	Billion levas at 1939 prices	58.9	101.3	102.9	128	124	154	150	171	147
Exports	Billion levas at 1955 prices	0.846	1.560	2.403	103	137	163	188	185	284
Imports		0.962	1.324	1.655	93	112	145	147	138	173
Czechoslovakia										
National income . .	Billion Kčs at 1953 prices	265	375	397	109	119	126	131	142	150
Exports	Billion Kčs at 1948 prices	37.6	61.7	72.9	101	110	130	136	164	194
Imports		34.1	53.2	60.0	116	119	128	141	156	176
Hungary										
National income . .	Billion forints at 1949 prices	45.5	. .	. .	117	115	130	125	. .	. .
	Billion forints at 1954 prices	. .	93.1	83.1	. .	. .	. .	. . [a]	136 [a]	121
Exports	Billion forints at 1949 (home) prices	6.23	. .	. .	108	138	180	191	222 [b]	. .
Imports		5.50	. .	. .	106	127	152	167	174 [b]	. .
Poland										
National income . .	Billion zlotys at 1950 prices	95.3	138.9	. .	104	108	124	134	146	157
Exports	Billion zlotys at 1955 prices	2.94	3.68	3.62	94	94	106	120	125	123
Imports		2.82	3.73	3.70	113	110	109	128	132	131

Sources: See Appendix B.

[a] National income in 1954 was 85.5 billion forints at 1954 prices.

[b] Assuming no change in export and import prices between 1954 and 1955.

TABLE XXXVIII

Yields of main crops in eastern Europe

Quintals per hectare

		1951-1955 Yearly average	1956	1957 Actual	1960 Latest plan
Bulgaria	Wheat	14.7	12.4	16.4	—
	Rye	11.1	9.2	. .	—
	Barley	16.9	13.0	18.0	—
	Oats	11.5	9.0	. .	—
	Maize	14.1	13.3	19.2	—
	Potatoes	87.4	72.0	. .	—
	Sugar beet	142.0	184.0	228.0	—
Czechoslovakia	Wheat	19.4	21.3	20.6	24.3
	Rye	17.4	20.4	18.4	22.0
	Barley	18.6	21.1	20.5	23.8
	Oats	17.0	19.2	17.0	20.6
	Maize	23.2	21.8	26.5	31.5
	Potatoes	128.1	152.9	140.1	163.2
	Sugar beet	241.0	206.7	296.4	373.5
Eastern Germany [a]	Wheat	27.7	28.6	30.0	26.7
	Rye	20.1	20.7	20.3	
	Barley	25.7	25.9	27.9	
	Oats	24.0	24.8	. .	
	Maize	23.7	20.0	. .	
	Potatoes	159.4	173.4	179.3	200.0
	Sugar beet	290.9	215.6	284.0	320.0
Hungary	Wheat	14.6	13.2	15.7	16.4
	Rye	11.9	11.1	11.6	
	Barley	16.3	15.8	20.1	21.5
	Oats	12.5	14.9	15.3	17.4
	Maize	20.3	17.6	. .	27.3
	Potatoes	88.0	93.0	119.0	. .
	Sugar beet	185.8	169.0	222.0	. .
Poland	Wheat	13.2	14.5	16.1	14.9
	Rye	12.2	13.2	14.7	
	Barley	13.5	14.6	15.7	. .
	Oats	13.1	14.2	14.7	. .
	Maize	. .	. .	. .	20.0
	Potatoes	113.4	140.0	12.7	140.0
	Sugar beet	180.8	177.0	224.0	217.0
Rumania	Wheat	11.3	8.4	13.3 *	15.8
	Rye	10.5	7.9	. .	
	Barley	10.5	9.7	. .	. .
	Oats	9.1	9.0	. .	. .
	Maize	12.7	11.0	17.3 *	20-23
	Potatoes	94.6	104.0	. .	. .
	Sugar beet	126.4	109.3	151.0	. .

Sources : Plans, plan fulfilment reports and statistical yearbooks; *Za Socialistické Zemědělstvi*, Prague, Nos. 6 and 8, 1957; *Rabotnichesko Delo*, 11 December 1957; *Neues Deutschland*, 2 January 1958; *Politická Ekonomie* No. 1-2, 1957.

[a] Barn yields (net) computed since 1953; data in the first column refer to the 1953–55 average.

TABLE XXXIX

Public accounts of the Soviet Union

Billions of roubles

	1955 Actual	1956 Actual	1957 Budget	1957 Actual	1958 Budget
Revenue					
Turnover tax	242.4	258.6	*277.3*	. .	*301.5*
Deductions from profits	102.8	102.9	*116.0*	. .	*130.3*
Social insurance premia	26.5	28.3	*31.0*	. .	*33.0* *
Income of machine-tractor stations	6.2	10.6	*13.9*	. .	*11.9*
Taxes on co-operatives	12.4	14.1	*5.0*	. .	*6.0*
Tax on non-commodity turnover			*0.9*	. .	—
Taxes on collective farms			*9.6*	. .	*9.6*
Forest fees	1.9	1.9 *	*1.9*	. .	*2.1*
Other revenue from socialized sector	84.0	72.0	*68.9*	. .	*75.8*
Revenue from socialized sector	476.2	488.4	*524.4*	526.4	*570.2*
Direct taxes	48.3	50.5	*51.5*	55.7	*49.8*
Miscellaneous revenue from persons	3.0	4.2	*2.0*		*5.3*
State loan subscriptions by persons	30.2	32.8	*28.2*	18.4	*4.6*
Savings bank deposits	5.3	10.0	*11.0*	16.8 [a]	*13.0*
Revenue from persons	88.1	97.5	*92.7*	90.9	*72.7*
TOTAL REVENUE	564.3	585.9	*617.2*	617.3	*643.0*
Expenditure					
National economy	232.7	244.8	*244.7*	258.1 [b]	*257.2*
of which :					
Industry	*99.0*	126.2	*118.4*	. .	*129.0*
Agriculture	*48.1*	50.5	*53.0*	. .	*53.4*
Transport and communications	*19.8*	20.6	*18.0*	. .	. .
Domestic trade	*0.8*	1.1	*0.6*	. .	. .
Other sectors	*49.7*	46.1	*54.7*	. .	. .
Social and cultural measures	147.2	164.4	*188.4*	196.4 [b]	*212.8*
of which :					
Education	68.9	73.6	*67.3*	. .	*68.9*
Research			*11.7*	. .	*15.0*
Health and physical culture	31.2	35.7	*38.0*	. .	*40.7* [c]
Social security subsidy	16.9	18.9	*45.4*	79.4	*25.4*
Social security benefits from Social Insurance Fund	8.7	12.6			*57.5*
Social Insurance Fund other outlays	16.6	18.6	*20.9*		
Family allowances	4.9	5.0	*5.1*		*5.3*
Defence	107.4	97.3	*96.7*	. .	*96.3*
Administration	12.5	12.1	*11.9*	12.0	*12.0*
Loan service and redemption	14.3	16.3	*15.4*	6.3 *	*5.7* *
Reserve funds	25.4	−13.0	*14.0*	. .	*16.7*
Other expenditure		41.6	*33.5*	. .	*27.1*
TOTAL EXPENDITURE	539.5	563.5	*604.6*	598.2	*627.7*
of which :					
Grants for fixed investment	*109.3*	*118.4*	129.6	. .	*142.7*
Grants for working capital	*2.9*	*3.8*	4.7	. .	*18.1*
SURPLUS	24.8	22.4	*12.6*	19.1	*15.2*
Expenditure through Union Republican Budgets	*127.4*	173.0	194.1	. .	*319.7*

Sources : A. Zverev in *Planovoe Khozyaistvo* No. 1, 1956, and No. 3, 1957; *Narodnoe Khozyaistvo SSSR v 1956 godu*, pp. 279-280, *Izvestia*, 20-22 December 1957 and 27 January 1958.

NOTE. — Budget estimates are in italics.

[a] Stated as 14 billion in the Budget Report, but subsequently given as 16.8 billion. The correction has been carried into the relevant totals.

[b] Assuming that health, education and research appropriations were spent as planned (the aggregate of national economy and social-cultural measures only being quoted).

[c] Stated as 40.1 billion in the Budget Report; 0.6 billion roubles added by the Budget Commission, mostly (but not entirely) for health.

TABLE XL

Dwelling construction in eastern Europe and the Soviet Union

	Dwellings per 1,000 inhabitants		Completions						
	Last censal stock	Completions in 1956	Unit (thousands)	1955	1956	1957 Plan	1957 Actual	1958 Plan	Annual rate planned [a]
Albania — Total	..	..							
State urban		3.5	Square metre	117	66.8	100	101	147	133
Bulgaria — Total	229	4.5		1 758	1 697	..	..	1 900	..
State				630	404	226	..	..	..
Other				1 128	1 293	..	2 190	..	..
Czechoslovakia — Total	293	4.8	Dwelling	50.6	63.7	..	63.0	73.7	66
State				35.3	33.0	38	31.5	33.0	42
Other				15.3	30.6	..	31.5	40.7	24
Eastern Germany [b] — Total	300	1.9		32.8	32.8	55	50	60	63
State				19.8	18.7	..	..	..	..
Co-operative				3.5	5.3	..	..	..	..
Private				9.5	8.8	..	..	..	..
Hungary — Total	262	2.6		31.5	25.5	41	49	48	40
State				13.6	7.4	21	26	..	..
Other				17.9	18.1	20	23	..	..
Poland — Total	235	3.4	Room [c]	252.1	263.5	..	346.2 [d]	..	240 [e]
State urban				135.1	124.9	..	198.8 [d]	..	..
State rural				40.9	31.4	..		..	..
Co-operative urban				2.9	3.3	..	4.5 [d]	..	..
Private urban				15.2	25.1	..	142.9 [d]	..	..
Private rural				58.0	78.8	..		..	..
Rumania — Total	..	3.1	Square metre	1 676	..	..	..	..	..
State				466	437	..	..	..	500
Other				1 210	..	..	..	..	..
Soviet Union — Total	195 [e]	8.0							
State and co-operative				25 000	28 600	34 000	48 000	42 000	43 000
Private urban				8 400	7 400	13 000		19 000	22 600
Private rural			Dwelling	600	700	750	770	800	800

Sources : The European Housing Situation, ECE, 1956, p. 46, *Quarterly Bulletin of Housing and Building Statistics for Europe*, ECE, No. 2, 1957, plans and statistical yearbooks.

[a] For 1956–1960 in the latest published version of the Plan.

[b] Excluding partial reconstruction.

[c] Including kitchens.

[d] Provisional.

[e] Urban areas only.

TABLE XLI

Inland freight transport in the Soviet Union and Eastern Europe

	Railways	Inland waterways [a]	Roads	Railways as percentage of total [b]
	Billions of ton-kilometres			
Soviet Union				
1955	970.9	67.4	42.5	*88.2*
1956	1 079.1	70.2	48.5	*88.6*
1957	1 209.0	76.0	51.4 [c]	*88.7*
Poland				
1955	51.97	0.78	1.22	*96.3*
1956	52.10	0.63	1.42	*96.2*
1957 [d]	54.76	0.72	1.22	*96.6*
Czechoslovakia				
1955	31.71	1.49	1.00	*92.7*
1956	34.28	1.47	1.15	*92.9*
1957 [d]	39.53	1.63	1.25	*93.2*
Eastern Germany				
1955	25.22	2.17	3.19	*82.5*
1956	27.33	2.27	3.49	*82.6*
1957 [d]	28.45	2.49	3.80	*81.9*
Rumania				
1955	14.08	0.65	0.27	*91.2*
1956	15.26	0.50	0.29	*92.5*
1957 [d]	16.14	0.57	0.37	*91.0*
Hungary				
1955	8.80	0.85	0.59	*85.7*
1956	8.16	0.70	0.59	*86.1*
1957 [d]	9.23	0.87	0.59	*86.1*
Bulgaria				
1955	4.12	0.37	0.74	*69.3*
1956	4.48	0.40	0.83	*72.7*
1957	5.00	..	0.90	..

Sources : See Appendix B.

[a] For Czechoslovakia, Rumania and Hungary the figures represent river traffic carried by state inland navigation corporations on inland and other waterways.

[b] Excluding maritime transport.

[c] Assuming no change in carriage by non-common carriers and farm lorries.

[d] Nine months at annual rate.

TABLE XLII

Production, import or export surpluses and apparent consumption of primary energy in eastern Europe in 1955 to 1957, and forecasts for 1960

Millions of tons of hard-coal equivalent

	1955	1956	1957	1960 (Plan)
Bulgaria				
Production	5.66	6.22	6.85	7.46
Import surplus	0.45	0.30	0.55	1.03
Apparent consumption	6.11	6.52	7.40	8.49
Czechoslovakia				
Production	47.73	52.45	56.45	71.64
Import surplus	3.46	2.83	1.96	3.45
Apparent consumption	51.19	55.28	58.41	75.09
Eastern Germany				
Production	63.06	64.69	66.31	75.30
Import surplus	6.83	6.76	7.70	10.00
Apparent consumption	69.89	71.45	74.01	85.30
Hungary				
Production	14.28	12.71	12.33	13.93
Import surplus	1.64	2.40	5.29	4.21
Apparent consumption	15.92	15.11	17.62	18.14
Total of net importing countries				
Production	130.73	136.07	141.94	168.33
Import surplus	12.38	12.29	15.50	18.69
Apparent consumption	143.11	148.36	157.44	187.02
Poland				
Production	98.42	99.17	98.11	111.81
Export surplus	26.14	21.12	14.57	17.03
Apparent consumption	72.28	78.05	83.54	94.78
Rumania				
Production	24.57	25.92	26.09	35.46
Export surplus	8.13	7.67	7.68	10.09
Apparent consumption	16.44	18.25	18.41	25.37
Total of net exporting countries				
Production	122.99	125.09	124.20	147.27
Export surplus	34.27	28.79	22.25	27.12
Apparent consumption	88.72	96.30	101.95	120.15
Six eastern European countries				
Production	253.72	261.16	266.14	315.60
Export surplus	21.89	16.50	6.75	8.43
Apparent consumption	231.83	244.66	259.39	307.17

Sources : Direct communications from governments; eastern European statistical yearbooks, quarterly or monthly statistical bulletins, plans and plan fulfilment reports.

NOTE. — For production, hard coal, brown coal, lignite, crude oil, natural gas and hydroelectricity have been taken into account; and for import or export surpluses (whence consumption) hard coal, brown coal, lignite, hard coke, brown-coal coke, brown-coal briquettes, crude oil, crude oil products and natural gas. For commodity details, see Table VI-B and D.

Appendix B

NOTES ON SOURCES AND METHODS

(For page references to the notes on particular tables, see the Table of Contents, pp. vii – x.)

I. GENERAL

As in previous years, the statistics given should be regarded in the first place as basic documentation for the economic analysis made in the SURVEY. They are therefore somewhat different in nature from statistics normally published in statistical yearbooks and other publications of a purely statistical nature. First, when no official figures are available, it is often preferable to have an estimate rather than no figure at all. Consequently, estimated figures which have a wider margin of error than is usually allowed in statistical publications are sometimes shown in the various tables. In the second place, the available national statistics have, for the sake of comparability as between countries, often been adjusted to more uniform definitions. For this reason, the figures shown differ in many instances from those given in national publications, or in other publications of the United Nations and its specialized agencies. Finally, the methods of compilation have been chosen with a view to the special use for which the data are intended. This does not necessarily mean that for other purposes other methods might not have been preferable.

Where a table gives totals for a number of countries, these totals always refer to the same group of countries for each period shown. In cases where figures for a given country are not available for one or more periods, estimates of these missing figures are included in the totals. Except where otherwise stated, area totals include estimates for those countries for which no data are available, or assume that the series for the missing country moved in proportion to the average for the other countries.

Slight discrepancies between constituent items and the totals shown in the tables are due to rounding.

The tables include information received up to 15 February 1958. In general, the more recent figures are to be regarded as provisional, and subject to revision.

Methods of Reference to Sources

Wherever the sources for a table have been few and the methods used self-evident, the necessary references have been given under the table. All sources referred to in this Appendix are listed systematically at the end of the SURVEY and are given a number, by which they are referred to in the succeeding notes.

Information on sources is given in the following order: first the department, institution, or other authority responsible for the publication (or in the case of books, the author); [1] where the site of the issuing authority is not the capital city, the place of issue is indicated, this being followed by the title of the publication; the place of publication is then given, if different from the place of issue, and is followed by the mention of the publishing house (where different from the issuing authority) and (for non-periodical literature) the date of publication. Finally, for periodicals an indication is given of the frequency of publication. Such details are omitted when they are already apparent from the wording of the title (e.g., *Monthly Digest of Statistics* for periodicity, and *Monthly Report of the Deutsche Bundesbank* for both periodicity and issuing authority). The publisher is not normally mentioned for official publications. In addition to the foregoing exceptions, there are a few cases where full bibliographical detail is not known.

If no particular issue of a periodical is indicated, it is to be understood that various issues of it were used as a source for the statistics. If, for any country, the title of a publication is given in a language other than the national language of that country, it is to be understood that a translation of the publication exists in the language indicated or that the edition is largely bilingual.

For national trade statistics in Chapters II, IV and V, the following national sources were used: Austria **2.5**; Belgium **3.5**; Denmark **6.2, 6.3**; Finland **7.5, 7.7**; France **8.4, 8.5**; Germany **10.5 (i) (ii) (iii) (iv), 10.6**; Greece **11.2**; Iceland **13.1, 13.2**; Ireland **14.2, 14.3**; Italy **15.5, 15.10**; Netherlands **17.3, 17.4**; Norway **18.2, 18.3**; Portugal **20.1, 20.2**; Spain **22.1, 22.2, 22.3**; Sweden **23.3, 23.4**; Switzerland **24.3, 24.4, 24.5**; Turkey **25.1, 25.2, 25.3**; United Kingdom **27.1, 27.4, 27.5, 27.6**; Yugoslavia **28.2**.

---

[1] For newspapers and ordinary commercial periodicals, this information is not given.

In the sources to certain tables relating to eastern Europe and the Soviet Union, reference is made to plans, plan fulfilment reports, statistical yearbooks and bulletins. The sources in which such information can be found are set out in the table below (reference is to the list of sources on pp. 20-27 of Appendix B).

Country	Plan			Plan fulfilment report		Statistical yearbook	Statistical bulletin
	Five-year	1957	1958	1956	1957		
Albania	**1.7**	**1.1** (1.I.57)	**1.1** (9.II.58)	**1.1** (3.II.57)	**1.1** (31.I.58)	. .	. .
Bulgaria	. .	**4.9** (30.XII.56)	**4.1** (12.XII.57)	**4.1** (27.I.57)	**4.10** (28.I.58)	**4.4**	. .
Czechoslovakia	**5.1** (17.VI.56, 4.X.57)	**5.1** (3.III.57)	**5.1** (9.II.58)	**5.1** (12.II.57)	**5.1** (7.II.58)	**5.11**	**5.9**
Eastern Germany . . .	**9.2** (2.58)	**9.2** (2.57)	**9.2** (2.58)	**9.11** (I.57)	**9.11** (I.58)	**9.9**	**9.5; 9.11**
Hungary	. .	**12.1** (17.V.57)	**12.1** (29.I.58)	—	**12.1** (2.II.58)	**12.7**	**12.4**
Poland	**19.13**	**19.1** (1.II.57)	**19.1** (28.XII.57)	**19.1** (19.II.57)	**19.1** (15.II.58)	**19.10**	**19.6**
Rumania	**21.3** (1.56)	. .	. .	**21.3** (III.57)	**21.1** (25.II.58)	**21.7**	**21.4**
Soviet Union	**26.27**	**26.1** (6.II.57)	**26.1** (20.XII.57)	**26.1** (31.I.57)	**26.1** (27.I.58)	**26.28 to 35**	. .

I. — RECENT ECONOMIC DEVELOPMENTS IN EASTERN EUROPE AND THE SOVIET UNION

Crop and sales of plant produce in the Soviet Union (Table 2)

Sown area : From **26.34** (Vol. I, pp. 7-9) for 1953-56 and from **26.A.** Fruit and tea plantations from **26.33** (p. 179).

Gross harvest : Index numbers from **26.28** (p. 107), and **26.1** (31 January 1957 and 27 January 1958). Physical quantities from **31.2** (Table XXIV, for grain, sunflower seed), from **26.A** (for cotton, flax, sugar beet, potatoes and vegetables) and from **26.33** (p. 179, for tea), checked in the case of sugar beet and cotton from **26.2** (25 December 1957 and 19 February 1958).

Total marketed output : 1953-1956 from **26.33** (p. 154) and **26.18** (No. 1, 1958, p. 11) except for silk — from Tass despatch of 27 November 1956 (**27.10 (i)** (1956, No. 782) and **26.37** (9 January 1958). 1957 cotton and sugar beet from **26.2** (21 January 1958).

State procurements : Aggregate for grain in 1953 and 1956 from **26.33** (p. 156), in 1955 from Plan Fulfilment Reports 1954 and 1955, and 1957 from **26.2** (21 January 1958); for cotton, fruit and vegetables from **26.37** (6 and 9 January 1958) and **26.1** (27 January 1958). State farm grain and cotton deliveries from **26.33** (p. 160), except for grain 1955 from **26.1** (31 January 1957); other data were estimated from the state farm share in sown area **26.34** (Vol. II, *passim*) less, where appropriate, an allowance for seed.

Sales on 251 farm markets : From **26.30** (pp. 70, 71, 185 and 186) (including sales on commission in co-operative shops). Flour was converted to grain equivalent at an 80 per cent extraction rate and vegetable oil to seed at 30 per cent (slightly below the rate for state industry given in **26.32** (p. 397), litres were converted to kilogrammes at a specific gravity of 0.93). Commission sales, flour and grain were assumed to be made up of grain and flour in the proportions sold on farm markets. Dried fruits were converted to fresh fruit equivalent at 30 per cent original weight. 1953 specific vegetable sales were assumed to bear the same ratio to all vegetable sales as in 1950 and 1955.

Output and sales of livestock produce in the Soviet Union (Table 4)

Gross output : 1953 and 1956 from **26.33** (p. 181); 1957 from **26.1** (27 January 1958).

Marketed output : 1953 and 1956 from **26.33** (p. 154); 1957 from **26.1** (27 January 1958).

State procurements : 1953 wool from **26.2** (25 December 1957); 1953 and 1956 meat and milk from **26.33** (p. 157); 1956 and 1957 for all produce from **26.1** (27 January 1958); 1955 all products from **26.1** (31 January 1957); deliveries by state farms in

1953 and 1956 from **26.33** (p. 160); share of state farms in 1955 meat deliveries from **26.8** (No. 6, 1956), in 1957 from **26.1** (27 January 1958). Share by farms in 1955 and 1956 for milk from **26.19** (No. 8, 1956, p. 3); 1955 private deliveries of meat from **26.6** (No. 18, 1956, p. 79); for all products 1956 from **26.1** (5 July 1957).

Sales on farm markets are from: **26.30** (pp. 185-7), and on commission by co-operatives from **26.30** (pp. 70-71). Meat sales were converted to live-weight at 55 per cent for beef, 50 per cent for mutton and 75 for pork, butter sales were converted to milk equivalent at 25 per cent. Poultry were included at stated weights, it being assumed that most fowl were sold live, the loss in trussing being small in any case.

Constituents of personal and farm income and outlay in eastern Europe and the Soviet Union (Table 16)

For all countries of eastern Europe data were taken from the statistical yearbooks as follows: Bulgaria **4.4**; Czechoslovakia **5.11**; eastern Germany **9.9**; Hungary **12.7**; Poland **19.10**; Rumania **21.7**. These data were supplemented by the sources listed below. Not all the statistics in the table were quoted as such in official publications, and annual changes in particular were sometimes given only as percentage or fractional increments: the resulting table should be regarded as an indicative exercise and not as an extract from a set of national accounts.

Bulgaria : **4.8** (No. 9, 1956 and No. 5, 1957); **4.1** (12/13 December 1957). *Czechoslovakia :* **5.15** (10 October 1957). *Eastern Germany :* **9.1** (10 January 1958). *Hungary :* **12.10** gives detailed actual figures for 1956; **12.5** (No. 10, 1957, pp. 1009-1022) gives planned and provisional actual figures for 1957. *Poland :* **19.13**, **19.1** (22 January 1958). *Rumania :* **21.9** (January 6 and 17 November 1957); **21.1** (20 and 22 March, and 28 and 30 December 1957).

Soviet Union : Income

Wages and salaries : Employment in the national economy — 1955-57 respectively from **26.28** (p. 205), **26.33** (p. 251), **26.1** (27 January 1958); Plan 1958 from **26.1** (20 December 1957) — multiplied by the average wage 1955 — as estimated in **31.1** (Vol. 9, No. 1, p. 97); increase in 1956 from **26.28** (pp. 43, 232, 237) and in 1957, from **26.1** (27 January 1958) (real wage index less price reductions). In the 1958 Plan a global figure of 120 billion roubles was quoted as the excess of the wage-bill over 1955 plus tax and bond reductions, **26.1** (20 December 1957): the estimated increases in 1956 and 1957 and two-thirds of the reduction in tax and bond-purchase outlay were deducted to give the 1958 increment. 1957 minimum wage plan from **26.21** (No. 2, 1957) and employment increase from **26.1** (6 February 1957). *Pensions :* 1955, 1957 and 1958 total outlays from **26.1** (25 December 1957) and 1957 increment from **26.1** (27 January 1957) (whence also 1956 total). Plan from **26.21** (No. 3, 1957, p. 28). *Other social transfers :* (i) family allowances from **26.28** (p. 280), **26.1** (6 February and 20 December 1957); (ii) sickness benefits from total social security and insurance outlays (same sources as for family allowances) less estimates for institutional spending **31.1** (Vol. 9, No. 1, p. 95) and increased spending by sanatoria in 1957, **26.38** (6 September 1956) and **26.39** (26 November 1957), planned increase in sickness benefit for 1957 from **26.21** (No. 3, 1957, p. 28); (iii) student stipends: 1955 from **31.1** (Vol. 9, No. 1, p. 98); 1956 increase in student body from **26.28** (p. 250). The 1957 Plan results (**26.1**, 27 January 1958) implied no increase in the student body. *Collective-farm net money income :* 1955-1957, gross money income from **26.28** (p. 140), **26.33** (p. 165) and **26.1** (27 January 1958) and distribution for 1956 from **26.2** (25 January 1958). The same proportions were used for 1955 and 1957 to obtain the respective increments. 1957 planned increase in labour-day dividends from **26.21** (No. 3, 1957, p. 28). The actual increase in money income for 1957 (6 per cent) is higher than that quoted **26.1** (27 January 1957) for the sum of money and in-kind income: it is assumed that it was in-kind income that suffered from the poor harvest more than money income, which is derived from state procurements and purchases. From data quoted on the expected increase in gross agricultural output and from the shares produced by state farms by I. Kuzmin, **26.1** (20 December 1957), the combined output of collective and private farming is expected to rise in 1958 by 13.7 per cent. As no procurement price or quota changes have been announced for 1958, this increase was applied to collective-farm money income to obtain a planned income for 1958 and was distributed in the 1956 proportions to costs, dividends and indivisible funds. *Money income of collective farmers :* on farm markets 1955 from M. Makarova, **26.15** (No. 2, 1957). Change in total farm market sales from **26.28** (p. 237), same proportions being assumed sold by collective and other farmers. The over-all increase in farm incomes 1955-58 (plus result of bond and tax cuts) would be 40 billion roubles **26.1** (20 December 1957); the unaccounted-for residual was inserted as farm market-sales 1957. Increment 1958 from **26.1** (27 January 1958) (which stated that the improvement in price due to the shift of sales would exceed 3 billion roubles). Commission sales 1955 from **26.30** (p. 179), distribution **31.1** (Vol. 9, No. 1, p. 100), 1956 from **26.28** (p. 223), 1957 from **26.1** (27 January 1958). Sales to state by private farmers from **31.1** (Vol. 9, No. 1, p. 104). *Loan Service :* 1955-1957 Plan from **31.2** (Chapter I, Table 9) (the data in **26.28** (p. 280) include in addition payments to savings banks for bonds held by them). 1957 actual loan service was 30 per cent of the planned payments (viz., until the mid-April moratorium) plus 2 per cent interest on that part of the 1957 flotation paid-up in 1957 (14.5 less 2.6 billion roubles) assuming even payment through the year. 1958 service was the 2 per cent interest on the 1957 loan (including pro rata the 2.6 billion to be paid up in 1958), **26.1** (20 December 1957) and the first *tranche* of redemption thereof, cf. **26.2** (10 April 1957). As only increments were inserted in the table for these two years, the 3 per cent interest on the freely convertible bonds, which remain on offer cf. **26.2** (10 April 1957) and **26.1** (20 December 1957) was ignored, increments therein being believed to be less than 0.5 billion roubles. For the post-moratorium period of 1957 and for the 1958 Plan, 3½ per cent interest on deposits in the savings bank was computed (data in **26.28** (p. 281) and **26.1** (27 January 1958)), since 2 per cent is allowed on current accounts and 5 per cent on deposit accounts. *Mortgages (house-building loans) :* 1955 and

1956 from **26.20** (No. 7, 1956, p. 62). 1957 credits to individuals and enterprises were quoted as 2.9 billion roubles by A. Zverev, **26.1** (20 December 1957), with a 1958 Plan of 3.2 billion roubles. I. Kuzmin (*ibid*) quoted the 1958 Plan for loans to individuals only (2.3 billion roubles) whence it was clear that 0.9 billion were to be allotted to enterprises. This sum was assumed to have been the same in 1957. *Taxes, etc.:* 1958 and 1956 data from **26.28** (p. 279), 1957 and 1958 data from **26.1** (6 February and 20 December 1957).

Outlay

Retail sales : Following the estimate in **31.1** (Vol. 9, No. 1, p. 101, Table F), 5.6 per cent of sales by state and co-operative stores were deducted for purchases by state institutions in state shops (co-operative shops' sales presumably being fairly small). Sales through state and co-operative shops were given in **26.28** (p. 223 for 1955), in **26.1** (27 January 1958) for 1956 and 1957 (plan and actual). The 1958 Plan was given in **26.1** (20 December 1957). Farm market and commission sales (the latter including the commission itself) from **26.30** (p. 223), as described under " Income " above. *Other expenditure :* Rent was computed from increase in State house-building — given in useful area and net of destructions in **26.33** (pp. 355-6), and **26.28** (p. 163) for 1955-1956, in **26.1** (27 January 1958) for 1957, and **26.1** (2 August 1957) for 1957 and 1958 Plans — these latter also quoting private house-building plans for urban areas. 70 per cent of the useful area is subject to rent which is 15.8 roubles per year/m^2 on old property and 19.8 roubles per year/m^2 on new property. Private house construction was valued at 1,000 roubles/m^2, of which 70 per cent was assumed to have been on materials *cf.* **26.28** (p. 183), mortgage loans being deducted. Private rural house-building costs estimated at 8,500 roubles per house *cf.* **31.1** (Vol. 9, No. 1, p. 101) and numbers built from **26.1** (31 January 1956, 2 August 1957, 27 January 1958) and **26.28** (p. 176). Entertainments from **31.1** (Vol. 9, No. 1, p. 98, Table D) increased by annual increments in cinema attendances, etc., **26.28** *passim* and **26.1** (27 January 1957). *State bond purchases and savings bank deposits :* as for taxes, etc. (under " Income " above).

Freight transport in the Soviet Union and eastern Europe (Appendix Table XLI)

Data for eastern European countries were taken from the statistical bulletins and yearbooks and plan fulfilment reports specified on page 2 of this Appendix, and for the Soviet Union from **26.31**. Where nine months' data only were available, an estimate was made on traffic during those months and on the proportion of yearly traffic normally performed during that period of the year. The following are the definitions of road transport statistics included in the table.

Soviet Union : All goods transport by road; as 1957 statistics were not available for farm lorries and carriers other than common carriers, traffic by these was assumed to have been constant (common-carriers, whose traffic rose 24 per cent (**26.1**, 27 January 1958) probably took over some of the lorries of non-common carriers).

Poland : Transport by publicly owned vehicles only.

Czechoslovakia : Transport by vehicles of the State Road Transport Corporation only. Including transport on own account (**5.A**), the figures would read: 1955 — 2.7; 1956 — 3.1; 1957 — 3.4 *.

Eastern Germany : All goods transport by road.

Rumania : Traffic carried by vehicles of the Road Transport Department and of certain other government departments.

Hungary : Traffic carried by transport undertakings.

Bulgaria : Apparently only traffic carried by the UAT and SOAT transport undertakings.

The rail transport statistics are not fully comparable. Service traffic is understood to be included in respect of the Soviet Union, Poland, eastern Germany and Hungary, but not in respect of Czechoslovakia; it may or may not be included in the Rumanian and Bulgarian figures. All data are believed to be tariff ton-kilometres, but Czechoslovak data in the table are operating ton-kilometres, the statistics for tariff ton-kilometres for 1955 and 1956 being 28.2 and 30.5 respectively.

II. — THE WESTERN EUROPEAN EXPANSION SINCE 1953

The rate of economic growth in western Europe (Table 1 and Chart I)

Gross national product : Data for 1949, 1953 and 1956 were taken from **36.1** (January 1958), except for Finland **7.8**, **30.8** and Yugoslavia **28.3**.

Industrial production : The sources used are **36.1** and national statistics.

Trade of western Europe by areas (Table 4)

Current values have been taken from **36.2 (i)** (December 1957) and national trade statistics for Finland, Spain and Yugoslavia. Values of imports were deflated by using OEEC unit value indices by areas published in **36.2 (ii)** (1956, No. 3), whereas for export values, indices used for Table XI and similar tables in previous *Surveys* were applied.

Changes in demand affecting industrial production in France and the United Kingdom (Table 5)

This table has been established in the same way as Tables 6 and 16 of Chapter III.

In the case of France, the secretariat has made direct estimates based on detailed series on the origin and destination of various categories of goods and services expressed in 1952 prices, given in Tables 6 and 19.

In the case of the United Kingdom, the secretariat has extended the national estimates already published on the same subject in various issues of **27.11**, especially in 1956.

Indicators of inflationary pressures (Table 7)

Consumer price indices and investment price indices are those implied in data in current values and at 1954 prices published in **36.1** (January 1958).

To obtain indices of relative export prices, indices for each country were related to the index for the OEEC member countries combined.

Foreign exchange reserves generally refer to holdings of central banks and treasuries, as published in **35.1**.

Data on money supply were taken from **36.1**.

Central government revenue and expenditure (Table 8)

The figures have in general been taken from the budget documents (closed accounts or estimates) and adjusted to correspond as far as possible to the following definitions:

Current revenue : taxes on income and property, indirect taxes, death duties, revenue from state monopolies and public undertakings. Receipts of foreign aid and once-for-all capital levies have been excluded.

Current expenditure : all current expenditure on goods and services, all defence expenditure (including investment and also civil defence wherever possible), current transfers, and expenditure on repairs and maintenance.

Non-current expenditure : investment expenditure (excluding defence), capital transfers for investment, war damage payments, amortization of debt and all other financial transactions (such as loans and advances).

The distribution that can be made on the basis of budget data between current and non-current expenditure is only approximate. Non-current expenditure, as explained in the text, does not cover all capital expenditure, part of which is included in the budget under current expenditure, while current expenditure also includes certain capital transfers.

Comparability between countries is affected by differences in national budgetary systems and accounting methods and in national classifications and conventions. The data therefore do not conform to national accounting concepts.

Austria : **2.1** (1953 to 1956) and **2.3** (1957 and 1958). Current revenue excludes revenue of an exceptional or capital nature. Non-current expenditure includes since 1955, the payments to USSR for ex-German assets in accordance to peace treaty. Amortization of public debt is included in current expenditure. Defence refers to occupation costs and since 1955 to national defence.

Belgium : **3.9** (1957 and 1958) and **3.8** (1956). Current revenue represents ordinary receipts. Non-current expenditure excludes the extraordinary amortization of the national debt.

Denmark : **6.4** (1955 and 1957). Current revenue excludes death duties (about 40 million kr. a year).

Finland : **7.8** (1953, 1956, and 1957). The figures are adjusted for items involving no direct receipts or payments.

France : **8.13** (1957, June and December) and **8.14**. 1952-1956: figures taken from treasury accounts. Excludes Autonomous Amortization Fund.

Western Germany : **10.14, 10.2** (April 1955, May 1956 and 1957) and **10.13** (1957). Central Government excludes only offsetting items and items earmarked for specific purposes. Expenditure excludes reserves formed by unused occupation costs amounting to 1.86 and 2.16 billion DM. in 1953/54 and 1954/55 respectively. Defence represents occupation costs and since 1955/56 national defence. Non-current expenditure includes amounts intended to cover previous years' deficits: 0.64 billion DM. in 1952/53; 1.01 billion DM., 1953/54; 0.64 billion DM., 1954/55; and 0.23 billion DM., 1955/56. Capital expenditure in 1956/57 is taken from **10.2.**

Greece : **11.4** (October 1957). The 1955/56 financial year having been extended to the end of 1956 covers eighteen months; the figures shown in the table have been adjusted to a twelve-month period.

Ireland : **14.4** (1953/54 to 1956/57) and **14.5**. Current revenue includes the special import tax created in 1955/56 and earmarked for capital expenditure. Current expenditure excludes capital services included under supply services. Non-current expenditure includes capital services included under supply services.

Italy : **15.8** (1956) and **15.9** (1956). Data refer to " Parte effettiva " only. Non-current expenditure covers total of economic and productive expenditure. Defence includes military expenditure only.

Luxembourg : **16.1**. The classification conforms to national accounting conventions.

Netherlands : **17.12** (1954 to 1957). The classification conforms to national accounting conventions.

Norway : **23.9** (1954/55 to 1957/58). Figures adjusted according to national budget classification.

Portugal : **20.3** (1957 and 1958).

Sweden : **23.10** (1951/52 to 1956/57) and **23.11**. Current revenue includes or excludes the amounts placed into or taken out of the fund for regulating the payment of tax-revenue to local authorities. Current expenditure includes some expenditure of a capital nature and does not include amounts intended to cover capital losses. Non-current expenditure represents real investment other than defence, and excludes investment covered by own means, and advances to the Treasury and to foreign countries.

United Kingdom : **27.13** (1954/55 to 1957/58). The figures are taken from the conventional accounts. Defence covers military expenditure only. Non-current expenditure represents all " below the line " items (other than interest outside the budget included in current expenditure) plus sinking fund payments.

Supply and use of resources in 1957 (Table 9)

For all countries except Finland, 1956 data were taken from **36.1** (January 1958). Data for 1957 were taken from the following sources:

Austria : **2.6**.

Finland : For 1956: **7.8** (1957) (figures have been adjusted according to OEEC definitions).
Figures for 1957 are budget forecasts as published in June 1957.

France : **8.12, 8.A.**

Western Germany : **10.1** (24 January 1958) (figures at current prices were deflated with price indices taken from **10.11** (1957, IV, p. 373)).

Italy : Gross national product: **15.4** (official estimates). Consumption and investment: **15.3** (November 1957) (unofficial estimates).

Netherlands : **17.A.**

Norway : **18.5** (1957).

Sweden : **23.9.**

United Kingdom : **27.12** (January 1958). Data cover first nine months only.

Yugoslavia : 1956 and 1957 data were taken from **28.3**.

Indicators of developments in 1957 (Table 10)

All data are taken from national statistics, except those for foreign exchange reserves, which are from **35.1**, and relate to holdings of central banks and treasuries only.

For industrial employment, output per man-hour and hourly earnings, the series are those described for Table III.

Annual changes in the supply and use of resources (Appendix Table I and Chart 2)

Except as otherwise mentioned, data were taken from **36.1** (January 1958).

Finland : Figures have been estimated as follows:

(*a*) Data at current prices for 1952-1955 have been taken from **30.8** and those for 1956 from **7.8** (1957).

(*b*) For 1955 and 1956 figures for gross fixed capital formation have been estimated net of maintenance and repairs on the basis of data for previous years.

(*c*) Price deflators have been obtained by linking the year to year series given in various issues of **7.8**.

France : Data relating to defence expenditure were taken from **36.4**.

Western Germany : Data were taken from **10.2** (November 1957).

Private consumption (Appendix Table II)

Data were taken from **36.1** (January 1958) except for western Germany for which figures were taken from **36.4** and **30.8**.

Food consumption includes food and non-alcoholic beverages but excludes alcoholic beverages and tobacco, except for western Germany — which excludes all beverages — and Greece, for which alcoholic beverages and tobacco are included in food.

Rent excludes fuel and light.

Expenditure on durable consumers' goods normally includes the purchase of cars. The share of total expenditure on private cars that is allocated to private consumption varies considerably from country to country and sometimes from year to year, impairing the comparability of data.

Output per man-hour and wage costs by industrial sectors (Appendix Table III)

Austria : **2.2.** Industrial earnings relate to weekly earnings in manufacturing and building in Vienna. Sector indices of hours worked were derived from **33.1.**

Belgium : **3.3, 3.4, 3.6, 3.1.** Industrial employment and wage rates relate to manufacturing industry only. Wage indices refer to wage rates as agreed upon by collective bargaining.

Denmark : **6.1.** Industrial earnings include building, transport and some services. Sector indices of hourly earnings exclude overtime pay.

Finland : **7.1, 7.3.** Sector indices of hourly earnings relate to male workers only.

France : **8.1, 8.2, 8.3.** Industrial wages relate to manufacturing only. Wage rates correspond to straight-time wages as practised. In the case of mining, earnings per shift in coal mining only.

Western Germany : **10.10, 10.7, 10.2.** Industrial earnings relate to manufacturing including building. In the case of mining, hourly earnings refer to coal mining only.

Italy : **15.2, 15.6, 15.7.** Hourly earnings exclude gratifications and paid holidays.

Netherlands : **17.1, 17.2, 17.8, 17.9, 17.10.** *Wage rates* as agreed upon by collective bargaining refer to adult male workers only. 1957 index of hourly earnings has been obtained by extrapolation on the basis of wage rates.
Man-hours worked in coal-mining are based on number of shifts worked.

Gross fixed capital formation by sectors (Appendix Table V)

a — Total gross fixed capital formation;
b — Percentage distribution by sectors;
c — Public investment.

Belgium : a, b and *c,* **3.7.**

Denmark : a, **36.1** (September 1957). *b,* **18.8.** *c,* **30.8.**

Finland : a and *b,* **7.6** (1957, No. 4). This source summarizes figures given in the various issues of **7.8** (figures include maintenance and repairs). *c,* **7.8** (1955, 1956 and 1957).

France : a, b and *c,* 1952-55, **8.6 (i)**; 1956, **8.11.**

Western Germany : a and *b,* 1952-56, **10.12.** *c,* **10.11** (1957, I).

Greece : a, b and *c,* **11.3.**

Italy : a and *b,* 1952-53, **15.A** (1954-56); **15.8.** *c,* **15.9** (1955 and 1956).

Netherlands : a and *b,* **17.11.** *c,* **30.8.**

Norway : a and *b,* **30.8.**

Sweden : a, b and *c,* **23.7** (see also **23.8**).

United Kingdom : a, b, and *c,* **27.11** (1957).

Index numbers of volume and unit values by commodity groups (Appendix Tables XIII and XIV)

All volume indices are quantum indices with fixed weights, except in the case of Sweden (moving anterior weights) and the United States (moving crossed weights).

Indices of unit values relate to four types:

A — unit value index with moving current weights;
B — unit value index with fixed weights;
C — unit value index with moving anterior weights;
D — unit value index with moving crossed weights.

Indices of type *A* are used for Belgium, France and western Germany in all cases and for Switzerland (exports of chemicals, textiles, engineering) and the United Kingdom (exports of chemicals).

Indices of type *B* are used by Switzerland (except for groups indicated above) and Italy.

Sweden and the United Kingdom (except chemicals) have indices of type *C*.

Finally, indices for the United States are of type *D*.

III. — EXPENDITURE AND OUTPUT IN WESTERN EUROPE

Cumulated cost of final demand in various European countries (Tables 8 to 15)

These tables contain the results of the type of analysis described in the text as applied to various individual countries and to the OEEC member countries combined for the years for which the basic data were available. The methodology has been described at length in the course of the chapter, and only the basic sources need to be quoted here.

On the demand side, five main categories of final expenditure have been distinguished in most cases, viz.: private and public consumption, gross fixed investment, change in stocks and exports. However, in the case of Sweden, private consumption has been divided into eight categories, viz.: food, rent, heating and light, clothing, furniture and other durable consumers' goods, motor vehicles, transportation, and other goods and services. Within gross fixed investment construction has been treated separately. In the case of the OEEC countries combined, the more refined break-down used for final demand is shown in Table 8. In each case these categories have been defined on the basis of the various national practices in the field of national accounting, with the result that the differences which have been indicated at the bottom of Tables 1 and 3 impair inter-country comparability.

On the output side, the origin of resources has been analysed by allocating net output amongst various sectors, defined as follows, in terms of the International Standard Industrial Classification of all Economic Activities: **30.7.**

		Division or group
Agriculture, forestry, fishing		0
Industry		1, 2, 3, 4, 5
of which :	Mining and quarrying	1
	Food, beverages and tobacco	20, 21, 22
	Textiles and clothing	23, 24, 29
	Chemicals	31, 32
	Basic metals and metal products	34, 35, 36, 37, 38
	Other industries	25, 26, 27, 28, 30, 33, 39
	Construction	4
	Public utilities	5
Trade		6
Transport and communication		7
Services		8

The following sources have been used:

OEEC countries combined (Table 8)

A provisional 28 × 28 input-output table for 1953, established by the OEEC Secretariat and not yet published.

France (Table 9)

The 11 × 11 input-output table for 1951 published in **8.9** on the basis of data contained in **8.8** has been used.

Western Germany (Table 10)

A provisional 12 × 12 input-output table for 1953 established by the Institut für Ökonometrische Forschung an der Universität Heidelberg (Professor W. Krelle and Dr G. Gehrig) has been communicated to the secretariat.

Various corrections have been made in order to ensure comparability with the estimates given in **10.3.** The share of indirect taxes in the cumulated costs has been adjusted on the basis of results published in **10.8** and **10.9.**

Italy (Table 11)

The 25 × 25 input-output table for 1953 published in **15.8** (1954 and other issues) has been used.

Netherlands (Table 12)

The 26 × 26 input-output table for 1950 published in **17.7** has been used. The cumulated cost of imports and indirect taxes in the various categories of final expenditure has been taken from **17.6.**

Norway (Table 13)

The 28 × 28 input-output table for 1950 published in **18.4** has been used. In establishing the detailed estimates, the following sectors have been distinguished in addition to those mentioned in the list above: fishing and whaling, forestry, wood and paper industries, shipping.

Sweden (Table 14)

No input-output table was available. Production accounts for a limited number of sectors published in **23.6** have been used in connexion with supplementary information directly provided by the author. In addition, direct estimates have been made by the secretariat on the basis of foreign trade statistics and statistics on taxation published in **23.5** (1953).

United Kingdom (Table 15)

The 11 × 11 input-output table for 1950, the inverted matrix and the cumulated cost of imports and indirect taxes in the various categories of final demand published in **27.11** (1956) have been used.

Cumulated cost of final demand and final destination of resources in western Europe in 1950 (Tables 1 and 3)

The percentage distributions in these two tables have been directly computed on the basis of the absolute value data of Tables 12 to 15 for the Netherlands, Norway, Sweden and the United Kingdom. In the other cases, the data of Tables 8 to 11 have been used to derive corresponding data for the year 1950, on which the coefficients of Tables 1 and 3 have been based. The method of adjustment has been described in the text. The following sources have been used:

OEEC countries combined : The correspondence between 1953 and 1950 has been established on the basis of data contained in **36.4.**

France : The correspondence between 1951 and 1950 has been established on the basis of data published in **8.6**, and of special studies made by the secretariat. Some of the results have been compared with national estimates reproduced in **8.10.**

Western Germany : The correspondence between 1953 and 1950 has been established on the basis of data published in **10.3** and of foreign trade statistics.

Italy : The correspondence between 1953 and 1950 has been established on the basis of **15.8** (1954 and other issues).

Final allocation of gross fixed investment in the United Kingdom in 1950 (Table 4)

As indicated in the text (see footnote 32), the final distribution of investment goods given in the B columns of Table 4 has been arrived at directly, using a mathematical result which in algebraic terms can be stated as follows:

Using the same symbols as in footnote 34, and calling $\overline{D}$ the matrix of the coefficients $\overline{d}_{kh}$, $\overline{D} = [\overline{d}_{kh}]$, it can be shown that

$$\boxed{\overline{D} = [I - E]^{-1} U}$$

E being the matrix $E = \left[e_{lk}\right]$ with $e_{lk} = \sum_i c_{li}\, q^*_{ik}$

where the subscript i refers to the various output generating sectors and the subscripts l and k to the type of assets (construction and other equipment) U being the matrix $U = \left[u_{kh}\right]$ with $u_{kh} = c_{kh} + \sum_i c_{ki}\, q^*_{ih}$, the subscript h referring to one of the three categories of final demand, private consumption, public consumption or exports. c_{kh} is the share of total investment of type k incorporated directly in the component h of final demand. (Investment in dwellings has obviously private consumption as final destination and public investment has been assumed, as explained in the text, to contribute only to the output of the public sector.)

The two assumptions necessary to derive the equation given above are (1) that each type of asset k (construction or other equipment) has a given cumulated cost structure independent of the sector where it is invested, and (2) that the final destination of capital goods of type k invested in sector i is similar to the final destination of the value added by sector i.

Growth of resources in western Europe (Chart 1)

The actual growth of resources has been taken from **36.4**, which gives the national product and expenditure of the OEEC countries combined in US dollars at 1954 prices and exchange rates.

The calculated growth of resources has been derived in the way described in the text. The 1953 data appearing in Table 8 have been expressed, after minor adjustments, in 1954 prices and exchange rates, so as to derive the cumulated cost coefficients applied as weights to the actual changes in the various components of final demand expressed in US dollars at 1954 prices and exchange rates taken directly from **36.4.** The same break-down of final demand as in Table 8 has been used for this computation.

Changes in resources and their utilization between 1950 and 1955 in western European countries (Tables 6, 7 and 16)

As explained in the text, the changes have been calculated on the basis of the data appearing in Tables 8 to 15 used in connexion with national statistics on foreign trade and national accounts data for the various years taken from the following sources: OEEC countries combined, **36.4**; France, **8.6** and **8.7**; Western Germany, **10.3**; Italy, **15.8**; Netherlands, **17.7** and **17.5**; Norway, **18.4** and **18.5** (1956); United Kingdom, **27.11** (1956).

The marginal coefficients of Table 7 have been calculated directly on the basis of the absolute value data of Tables 6 and 16.

IV. — THE CHANGING PATTERN OF WESTERN EUROPE'S TRADE

General note

In addition to the usual classification by geographical or monetary areas, many of the tables for this chapter are based on a country classification by principal types of export.

Unless otherwise indicated, the expressions " industrial countries " and " highly industrialized countries " refer to Canada, western Europe, Japan and the United States. All other countries, except eastern Europe and China, are called " primary exporting countries ". These countries are further classified into four areas, according to the principal type of their exports in 1955, as follows:

Primary Exporting Countries

A. *Petroleum-exporting Countries*

British Persian Gulf States: Aden, Bahrein, Kuwait, Qatar, Trucial States
Iran
Iraq
Netherlands Antilles
Sarawak
Saudi Arabia
Trinidad and Tobago
Venezuela

B. *Mineral-exporting Countries*

Belgian Congo
Bolivia
Chile
Mexico
Morocco
Peru
Rhodesia and Nyasaland
Surinam
Tunisia

C. *Agricultural Exporting Countries, non-food*

Australia
Egypt
French Equatorial Africa
Hong Kong
India[a]
Indonesia
Malaya and Singapore
Mozambique
Pakistan
Syrian and Lebanon
Sudan
Union of South Africa
Viet Nam, Laos and Cambodia

D. *Food-exporting Countries*

All other primary exporting countries.

World trade by geographical areas (Table IX)

Sources

1928, 1937: **36.3, 30.2, 37.2;** *1938, 1952, 1956*: **30.1,** Table A (August 1955 and June 1957).

Wherever possible, the data refer to exports f.o.b. For 1928, it was not possible to tabulate all exports from overseas countries, and for certain areas the data were taken from statistics of the importing countries reduced, when necessary, to a f.o.b. basis (12.5 per cent deduction from the c.i.f. figures).

World trade by principal type of exports (Table X)

Data on imports to and exports from industrialized countries were taken from trade statistics of these countries, the sources being the same as those for Table IX. When imports are given c.i.f., they were estimated on a f.o.b. basis by reducing the original figures by 12.5 per cent for trade outside Europe, and by 5 per cent for intra-European trade.

The trade of each country with the world was taken from statistics of the country itself, reduced to a f.o.b. basis when necessary.

Exports of selected European countries and the United States by main commodity groups and by areas of destination (Table XI)

(a) Sources

The basic statistical material was obtained from **36.2 (iv)** and national trade statistics. See above, Section I, General, p. B. 1.

(b) Areas of destination

Areas of destination are the same as those shown in similar tables of previous SURVEYS (a general description was given in the SURVEY for 1954, pp. 296-297), with the following exceptions:

---

[a] Including Burma and Ceylon in the figures for 1924 to 1929.

i. The " overseas sterling area " was sub-divided into:

(1) " British overseas territories ",

(2) Independent members of the overseas sterling area, broken down as follows: Union of South Africa; other countries in Africa; other countries in Asia; countries in Oceania.

" Other overseas countries " is sub-divided into countries in Africa, Japan, China, and other countries in Asia.

ii. Furthermore, countries were classified, as far as possible, according to their degree of industrialization.

iii. Indochina was included in " Other overseas countries ".

iv. For 1956 Libya is included in " Other overseas countries ", whereas for 1952 it is in " Overseas sterling area " (i.e, in " Other countries in Africa "). This slightly affects the comparability between 1952 and 1956, especially for the United Kingdom and Italy.

v. For 1952 Northern Rhodesia and Nyasaland are included in " British overseas territories ", whereas for 1956 they are in " Other countries in Africa " (" Overseas sterling area "). This affects the comparability of the data, especially for the United Kingdom, Belgium-Luxemburg and western Germany.

vi. In 1956, trade with Liberia is included under " Dollar area ", whereas it is excluded in 1952. Total exports to Liberia in 1952 are shown below:

Exports to Liberia in 1952

	Millions of current dollars		*Millions of current dollars*
United Kingdom	21.7	Netherlands	0.7
France	0.2	Denmark	0.1
Western Germany	1.1	Norway	8.8
Italy	0.7	Sweden	0.1
Belgium-Luxembourg	3.7	United States	26.1

Data for France and Italy for 1952 have been revised as compared with previous SURVEYS, in accordance with new price indices which were not available at the time of the previous issues.

In some cases, figures of exports to the United States and Canada for 1952 do not add up to total exports to North America because the commodity specification for the United States and Canada is less exhaustive than that for total North America

Since the original source used — **36.2 (iv)** — gives a different area break-down, a certain amount of rearrangement was necessary, as follows:

Classification in Table XI	*OEEC classification*
Latin America	Central America *plus* South America.
Overseas sterling area	Non-member countries in sterling area *plus* British overseas territories.
Other in Africa (in " Overseas sterling area ")	Non-member countries in the sterling area, in Africa, *less* Union of South Africa.
Affiliated overseas territories	Overseas territories of member countries *less* British overseas territories.
Other overseas countries	Other non-member countries in Africa, in Asia and in Oceania.
Other in Asia (in " Other overseas countries ")	Other non-member countries in Asia, *less* Japan and China.
Western Europe	Metropolitan member countries *plus* other Europe.
Highly industrialized countries	North America, western Europe, eastern Europe and Japan.
Semi-industrialized countries	South America *less* dollar area in South America, Union of South Africa, Oceania.

Figures for " Total overseas countries " were obtained by deducting exports to western and eastern Europe from exports to the world. Consequently, whenever figures for exports to Europe were not complete, the unallocated part is automatically included in overseas exports (this applies in particular to United States exports). For the same reason, figures given for individual overseas areas may not necessarily add up to " total overseas countries ". Figures for " non-industrialized countries " also consist of the difference between exports to the whole world and exports to " highly industrialized countries " and " semi-industrialized countries ".

United States exports for 1956 included an important amount of exports specified by commodity group but not by destination. The value of these exports was distributed as follows:

Millions of dollars at 1950 prices

ECE commodity group	*1956*
1	107.7
of which :	
Cereals and preparations	13.8
Fruit and vegetables	55.4
Tobacco	2.7
2	69.4
3	23.7
of which :	
Iron and steel	17.1
4	3.7
5	4.1
6	26.8
7	25.4
8	61.2
9	11.2
10	10.5
11	124.7
12	84.1
13	11.9
14	1.6
15	57.9
16	19.6
17	95.5
18	127.2
of which :	
Cotton fabrics	30.7
19	22.4
20	178.2
TOTAL	1 066.8

These values were added to " Total overseas countries ", but they are excluded from " Non-industrialized countries ".

An attempt has been made to show the order of magnitude of the unspecified part of exports to each area. These unspecified exports are known in current values for each destination (they consist of the difference between the total of all exports and the total of the specified exports by value), and they were estimated at 1950 prices for each commodity group by distributing the total of $1,066.8 million in 1956 in proportion to the current values by areas.

Bunkers for foreign ships are not given by destination, but they are included in the total exports of group 2. For the same reason, ships' stores are included only in total exports in the corresponding commodity groups.

(c) Commodity groups

The 20-group classification used in Table XI is given in Table A of **31.2** in terms of the Standard International Trade Classification (SITC), **30.4.** Owing to insufficient information, the commodity classification used for Dutch exports in 1956 differs slightly from that given in Table A: in 1956 SITC Group 691 is excluded from ECE Commodity Group 8 and included in Group 20; the latter also includes part of the SITC Group 652 (which, in principle, belongs to ECE Group 18).

(d) Conversion into 1950 prices

Export figures in current dollars were converted to 1950 prices by using special indices computed for each commodity group and for each exporting country. In principle, these indices are unit-value indices for exports to all destinations, either officially published or derived from volume and current value indices given in national publications. Where no foreign trade indices were available, wholesale prices indices, or especially computed unit-value indices for the main items included in each commodity group, were used. As available unit-value indices are often more detailed than the 20-group commodity classification, certain groups were further broken down into appropriate sub-groups before conversion into 1950 dollars.

For each exporting country, the detailed unit-value indices were adjusted so that the resulting changes in the volume of total exports agreed with the officially published indices of the volume of exports. Since, in the United States, exports of " special categories " are included in the official volume index but excluded from the commodity-by-destination data, the adjustment was made on the basis of the unit-value index for total exports. As the monthly series of the official volume index for Belgium-Luxembourg does not cover all the commodities traded, the adjustment was made on the basis of the unit value index for total exports.

The sources and types of indices used in the conversion into 1950 dollars are as follows:

Country	*Type of index* [a]	*Source*
Belgium-Luxembourg	U	**3.2**
Denmark	U	**6.1**
France	U_1	**8.1**
Western Germany	U_1	**10.5 (i)**
Italy	U_1 and U_2	**15.10**
Netherlands	W	**17.2**
Norway	U	**18.7**
Sweden	U	**23.A**
United Kingdom	U and U_1	**27.4**
United States	U and W	**29.1, 29.2**

---

[a] U = Unit-value index published in national sources.

U_1 = Unit-value index derived from current value and volume index.

U_2 = Unit-value index directly computed from values and physical quantities.

W = Wholesale price index.

For all countries a limited number of unit-value indices were computed from values and physical quantities. Only sources other than standard national trade statistics are specified in the table.

Imports of selected European countries and the United States by main commodity groups and by area of origin (Table XII)

(a) Sources and areas of origin

In this table the sources of the basic statistics and the areas of origin are the same as in Table XI. The only difference in the composition of areas is an adjustment made for 1952 in respect of Northern Rhodesia and Nyasaland: these are excluded from " British overseas territories " and included in " other sterling countries in Africa ".

Unallocated imports into the United States in 1956, which amount to $118.2 million, have been attributed to total imports of sections 8 and 9.

(b) Conversion to 1956 prices

The current values of imports in 1952 were converted to 1956 prices by using special unit-value indices computed for each commodity group for (*i*) the nine European countries combined, and (*ii*) the United States.

European indices for all sections, except section 4, have been distinguished for the main areas of origin; indices for section 4, divisions 04, 05, 07 and 22, and groups 262 and 263 were applied uniformly to all areas of origin. The main sources for these unit-value indices are **36.1**, **36.2 (i) (ii) (iv)** and **27.1**. This material was completed by direct computations and by unit-value indices by commodities officially published by European countries. Imports from western European countries were deflated by using the same deflators as those used in Table XI for exports from selected European countries.

Because of the lack of statistical material, the price deflators used for imports into the United States are not differentiated by areas of origin, except when it was possible to use external sources—i.e., **37.4** for Canada, and data derived from Table XI for western Europe (for sections 5 to 8 only). Price indices for imports from all origins were taken from the following sources: **29.1** and **29.2** or, when necessary, price indices were directly computed from detailed values and quantities.

Exports to primary exporting countries (Tables 15, 16, 18, 20, 21, 22)

These tables are derived from Table XI (for 1952 and 1956) and from Table LV (for 1938) of **31.3**. Since these two tables have been drawn up on the basis of different sources, have different commodity classifications and country coverage and are expressed in different prices, the comparability between the pre-war and the post-war data is not perfect. The most important factors causing lack of comparability are (*a*) the exclusion in 1938 of a number of important bilateral relations (see the list in Table LV) and (*b*) the important share of unspecified exports included in " Other commodities " in 1938, which amounted to about half of this group.

Primary exporting countries are overseas countries other than North America and Japan. The commodity groups are defined as follows:

Commodity groups	*Corresponding groups in* Economic Survey of Europe since the War	*Corresponding groups in Table XI of the present* SURVEY
Food, drink and tobacco	1	1
Raw materials and fuels	2–3	2–8
Machinery	4	9–13
Transport equipment	5–6	14–16
Chemicals	7	17
Textiles	8	18
Other commodities	9–10	19–20

In the calculation of the share of western Europe in the combined exports from western Europe and the United States to primary exporting countries (Table 18) adjustment was made for the unspecified exports of the United States, on the assumption that the commodity structure of these unspecified exports to primary exporting countries is the same as that for exports to the rest of the world.

Purchasing power of exports of primary exporting countries (Chart 2)

Purchasing power of total exports

The current values of total exports were taken from **30.1** December 1957 (Table 43). The corresponding purchasing power was obtained by deflating these current values by a special price index of imports, obtained by an appropriate weighting of export unit-value indices of the United States (exports to all areas) and an index of export prices for western European exports to overseas countries (taken from **36.1**). The weights take into account the differing relative importance of western Europe and of the United States in the total imports of the three groups of countries.

Volume of imports

Current values of imports, f.o.b., were taken from statistics of exports of western European countries and the United States and were converted into 1956 prices by use of the price index described above.

Per capita gross national product and net imports of selected commodities in western Europe (Chart 1)

Sources

Data for Gross National Product were taken from: **36.4, 36.1.**

Imports were taken from the same sources as those used for Tables XV-XXXII.

Estimates

Because of the partition, it was found impossible to include Germany in the comparison of 1952 data with those for 1934-38.

For 1956, a series based on 1952 was constructed with western Germany included. This series was linked with that of 1952 on 1934-38 = 100, on the assumption that western Germany followed the same movement as that of the other western European countries.

Changes in trade balances (Table 3)

Values at current prices were taken from Tables IX and X.

A series of prices of manufactured exports was obtained by combining those for the United States and the series of prices of exports from OEEC member countries to the outside world. The same series were applied to all areas.

Percentage increases in output and imports between 1952 and 1956 (Table 6)

The series for Gross National Product, industrial production and agricultural production were taken from **36.1.** For agricultural production data refer to crop years 1951/52 and 1955/56.

The volume of imports was computed from Table XII.

V. — PROSPECTIVE TRADE STRUCTURES

Employed population by sectors in OEEC countries (Table 1)

The starting point has been the demographic forecast of the population of working age in 1975 in the OEEC member countries combined. Population of working age comprises men between 15 and 64 and women between 15 and 60. For the period 1955-1970 the OEEC forecasts published in **36.5** have been used, except for France, where more recent national forecasts have been used. Net migrations have been allowed for in the estimates for western Germany, Ireland, Italy, the Netherlands, Portugal and the United Kingdom.

For the period 1970-1975, secretariat estimates have been prepared. The increase in total employed population has then been estimated by assuming in the case 1975-I that the rates of activity and employment taken together would be the same in 1975 as in 1955, and, in the case 1975-II that they would increase by 10 per cent. Next, the structure of the employed population by sectors was calculated in 1955 on the basis of national statistics and United Nations **30.6**. The structure has been established separately for the OEEC countries combined and for the north-western group (thus excluding Italy, Greece, Portugal and Turkey). The 1975 structure of employed population by sector has then been estimated by assuming that in the case 1975-II the structure for the OEEC countries as a whole would be the same as the 1955 structure for the north-western group, and that in the case 1975-I the structure should lie somewhere between the 1955 and 1975-II structures, involving a smaller decline of the agricultural population. In both cases it has been assumed that the employed population in the industry and services sectors would increase at about the same rate.

Gross domestic product at factor cost in OEEC countries (Table 2)

The case 1975-I refers to an increase of 60 per cent of total gross national product in twenty years and the case 1975-II to an increase of 100 per cent. The growth of output in agriculture has been derived from the labour force projections combined with the assumption that in the case 1975-I labour productivity in agriculture rises at approximately the same rate as in industry and at a slightly higher rate than for total GNP and services, whereas in the case 1975-II productivity in agriculture rises more rapidly than in industry, largely owing to the stronger decline in the labour force. In projecting output and productivity in industry a more rapid rise in industrial output than in GNP has — on the basis of past experience — been assumed. The net output of services was derived by difference and checked with available information on productivity trends.

The underlying assumptions on productivity are the following: —

Productivity increase in percentage per year

	1955-1975-I	*1955-1975-II*
Agriculture . . .	2.2	3.1
Industry	2.2	2.9
Services	1.6	2.3
Total . .	2.1	3.0

It must be added that the secretariat also prepared estimates for each case of national expenditure by categories of final demand and that the consistency of the various forecasts was then checked by relating the changes in output and expenditures using the method and the results of Chapter III of the present SURVEY.

Production, net trade and apparent consumption of selected commodities by main areas (Tables XV—XXXII)

Sources

The following sources were used for agricultural commodities: **37.5**, **34.2 (i)** (1953 to 1955), **34.2 (ii)**, **34.1**, and **37.1**.

For textile fibres, these sources were completed with: **27,7**, **27.8**.

For rubber: London. **37.6**.

In particular cases, data were taken from national trade statistics and from: **30.5**.

The sources for metals and ores were the following: **10.15**, **29.4**, **30.5**, **27.9**, **37.3**.

Estimates

Data for the average 1952-56 were partly estimated for cereals, coffee, cocoa, tea, cotton and wool. Trade data for 1955 and 1956 and production data for 1956 were not available for some minor suppliers or consumers. It was assumed that their share in the respective regional total was the same as for 1952-54.

As stock changes are not taken into account in the data for apparent consumption, negative figures, which may be due to a reduction in stocks, are shown in a few cases.

VI. — DEVELOPMENTS AND PROBLEMS IN THE TRADE OF EASTERN EUROPE AND THE SOVIET UNION

Foreign trade of the eastern European countries and the Soviet Union in their relation to world exports and imports (Table 1); Appendix Tables XXXIII to XXXVI for trade of eastern European countries and the Soviet Union (1950, 1955, 1956)

In order to compute the series of world exports and imports including the trade of the eastern European countries, the Soviet Union and mainland China from the series of world trade excluding these countries (**30.2**; **30.1**), the following sources have been used: **26.1**, 6 April 1952; **26.21**, No. 4, 1954, p. 80; **26.38**, 22 September 1955 (total turnover of Soviet Union in 1948, 1951-1954 and share of trade with countries of the eastern group in 1948, 1951 and 1953); **26.9**, No. 1, 1953, p. 3 for share of trade with countries of the eastern group; **21.3**, No. 9, 1952, p. 184; **26.41**, p. 201; **26.43**, p. 262 for turnover of Albania in 1951, 1953, 1954; **26.9**, No. 10, 1957, pp. 2-5 for exports and imports of China with the Soviet Union in 1955 (estimated from total turnover); **26.9**, No. 5, 1956, p. 12 and No. 4, 1957, p. 20 for percentage distribution of trade by main trade areas; foreign trade statistics of eastern European countries in national yearbooks and statistical bulletins) (for trade with those countries), **30.2** and **30.1** for trade with countries outside the eastern area — with adjustments of data from Soviet sources and for China by assuming a 10 per cent difference between c.i.f. and f.o.b. valuations. Unit values of certain exports of fuels and raw materials from the Soviet Union and price quotations on major international markets (Table 2) and unit values of certain exports from Hungary and Bulgaria (Table 3). **7.7**, 1948, p. 133, 156; 1950, pp. 133, 163; 1951, pp. 134, 163; 1952, pp. 149, 179; 1953, pp. 149, 174; 1954, pp. 149, 179; 1955, pp. 149, 182; **12.7**, pp. 272-291; **4.4**, pp. 84-97; **35.1**, **30.1**.

Except where mentioned below for the Soviet Union, Finland, Hungary and Bulgaria, export unit values have been derived from foreign trade values and quantities without clear quality specifications.

Exports from the Soviet Union to Finland, c.i.f., to Hungary up to 1951, c.i.f. Hungarian frontier after 1952 (and probably Bulgaria in all years) at point of change of ownership, which frequently meant f.o.b.

Exports from Hungary (and probably Bulgaria) at point of change of ownership, which frequently means c.i.f.

Quality specifications

Coal: Exports from the United Kingdom, steam and house coal (average unit values, f.o.b.); exports from the Soviet Union to Finland highest quality coal; c.i.f. Finnish frontier.

Crude petroleum: Imports to the United Kingdom; Kuwait crude, 31-31.9°, API gravity, c.i.f.

Pig iron: Belgium; domestic/export price frontier, foundry, phosphorus f.o.b. Antwerp.

Steel billets: Western Germany; domestic/export price, Bessemer bars, basic producers' prices, delivered Oberhausen.

Steel plates: Exports from United Kingdom, plates 3/16″ and over f.o.b.; exports from the Soviet Union to Finland; 9 mm and over, c.i.f. Finnish frontier.

Lead: United Kingdom, domestic/export price, spot, purity, 99.97 per cent. Pb, ex warehouse, London.

Synthetic rubber: United States, S-type, cold, staining and non-staining, No. 1500 and 1502, domestic/export price at New York.

Raw cotton: United Kingdom, domestic/import price, Texas M 15/16″, spot, c.i.f., Liverpool.

Foreign trade in Hungary and eastern Germany showing adjustment between home and foreign trade prices (Table 21)

12.8, pp. 9, 11, 15, 289 and 293, for Hungary in 1949, 1954 and trade in foreign trade prices; **12.10**, 1957, pp. 83, 85, for Hungary in 1955 and 1956; **9.9**, 1955, pp. 90, 93 and 1956, pp. 143, 145, 158, for national income and foreign trade in eastern Germany, and an estimate of net foreign trade subsidies in 1956; **9.3**, No. 1, 1957, p. 16, for changes in the purchase of exported and the sale of imported goods at current internal prices in 1950-1955 and the share of gross exports in gross industrial output; **9.11**, No. 3, 1957, for gross industrial output in 1955 excluding stock changes, work in progress and building and other internal services.

The network of exports and imports in the eastern trade area (Annex Table VI-A)

Statistical yearbooks and bulletins, direct communications from governments, estimates based on trading partner's statistics and **26.48** (p. 39); **26.40** (p. 118); **26.42** (p. 368); **26.43** (p. 263) for Albanian trade with the Soviet Union; **5.6** (No. 3, 1953, p. 120) and **26.43** (p. 230) for distribution of Bulgarian exports and imports in 1950 and 1951; **5.16** (p. 12) and **5.6** (No. 10, 1953, p. 389) for distribution of Czechoslovak imports and imports in 1950 to 1954; **19.8** (No. 6, 1957. pp. 9-10); **26.33** (p. 31) for Soviet exports to and imports from the eastern trade area (excluding Yugoslavia); **26.46** (pp. 260 and 286); **26.10** (No. 10, 1957, pp. 2-5 and No. 11, 1957, p. 46) for distribution of trade of the Soviet Union with the Asian countries of the eastern trade area.

Trade in coal, mineral oil and their derivatives of eastern European countries and the Soviet Union (Annex Table VI-B)

The sources used were **31.4** and **31.5**, and national statistical yearbooks and bulletins for Bulgaria, Czechoslovakia (only hard-coal coke and crude oil and refined oil products), eastern Germany, Hungary and Poland (only 1953 to 1955); **29.10** (No. 11, 1957, pp. 39-42) crude oil and crude and refined oil products in the Soviet Union in 1956; secretariat estimates based on material submitted by governments (for coal in Czechoslovakia, coal in 1950 in Poland and crude and refined oil products in 1950 and 1955 in Rumania).

Credit arrangements of the eastern European countries from 1947 to 1958 (Table VI-R)

26.41 : Moscow 1954 Soviet loan to Albania in 1953.

26.47 : Soviet credits to China in October 1954, Czechoslovak credit to eastern Germany in 1950, Soviet credits to eastern Germany in 1953, Soviet credits to Albania in April 1949 and February 1951.

26.48 : Soviet credit to China in February 1950, Czechoslovak credits to Poland during the period 1950-1955, Soviet credit to Poland in March 1947, Soviet credit to Czechoslovakia in 1947, Soviet credit to Poland in January 1948, Soviet credits to China in October 1954 and February 1955, Bulgarian credit to Albania in October 1954, Soviet aid to North Vietnam and North Korea; Bulgarian, Czechoslovak, eastern German, Hungarian, Polish, Rumanian and Soviet credits and aid to North Korea.

26.44 : Czechoslovak credit to Indonesia in May 1956, Chinese credit to Albania in 1956.

27.10 (iii) 1953, No. 395, Radio Tirana 24 February 1953: Czechoslovak credit to Albania 1951.

27.10 (iii) 1958, No. 894, Radio Tirana 2 January 1958: Soviet credits to Albania during the period 1948-1957 and in November 1957.

27.10 (iii) 1957, No. 289, Radio Budapest 13 May 1957: Chinese loan to Hungary in 1957.

27.10 (iii) 1957, No. 893, Radio Budapest 24 December 1957: Soviet credit to Hungary in December 1957.

27.10 (ii) 1957, No. 821, Radio Warsaw 18 April 1957: Czechoslovak credit to Poland in March 1957.

27.10 (i) 1958, No. 902, Radio Moscow 30 January 1958: Soviet credit to Egypt in 1957.

27.10 (i) 1957, No. 880, Tass: Soviet credit to India in November 1957.

27.10 (iii) 1954, No. 579, Albanian Telegraph Agency: Rumanian credit to Albania in December 1954.

19.15 1957, No. 563: Czechoslovak credit to Poland in May 1957.

26.38 28 October 1954: Soviet credit to Afghanistan in October 1954.

26.5 : Soviet credits to Mongolia during the period 1946-1957.

26.10 No. 8, 1949: Soviet credit to Albania in September 1948, Bulgarian, Hungarian and Polish loans to Albania in 1949.

26.10 No. 5, 1950: Soviet loan to Poland in January 1948.

26.10 No. 7, 1950: Soviet credit to Poland in June 1950.

26.10 No. 10, 1957: Soviet credit to Rumania in December 1956.

4.7 No. 11, 1954 and No. 3, 1956: Soviet credits to Bulgaria in 1947, 1948, 1951, 1953.

4.7 No. 1, 1955: Hungarian credits to Bulgaria in 1949 and 1952.

4.7 No. 5, 1956: Bulgarian credits to Albania in 1952 and 1956.

4.7 No. 10, 1956: Soviet loan to China in April 1956.

4.7 No. 1, 1957: Soviet credits to Bulgaria during 1947-1956 period.

4.7 No. 9, 1957: Soviet credits to Albania during the period 1947-1957, Bulgarian credits to Albania during 1948-1956.

9.3 No. 20, 1957: Credit granted to and by eastern Germany.

21.5 19 December 1957: Rumanian credit to Albania in December 1957.

5.17 16 October 1950: Soviet credit to Czechoslovakia in 1947.

12.8 : Soviet credit to Hungary in 1954.

31.2 : See details on sources in Chapter 1, pp. 18 and 19.

31.1 Vol. 9, Nos. 1 and 3: Credits granted to Hungary in 1956 and 1957, and to Poland.

28.5 : Credits granted to Yugoslavia.

28.6 10 January 1958: Soviet credits granted to Burma in 1958.

1.1 30 January 1957: Bulgarian credit to Albania in January 1957.

8.15 27 November 1957: Soviet and Czechoslovak credits to Egypt in 1957.

24.6 11 July 1953: Soviet credit to Argentina.

19.1 19 October 1957: Czechoslovak credit to Poland in October 1957.

29.6 : Soviet credits to Finland in 1954 and 1955.

7.4 September 1954: Soviet credits to Finland 1956-1960.

27.14 No. 8, 1958: Soviet credit to Syria.

National income and foreign trade in Bulgaria, Czechoslovakia, Hungary and Poland (Appendix Table XXXVII)

4.4, (pp. 22, 82) and **4. A** ; **5.11** (pp. 182, 203, 291) and **5.1** (31 October 1957); **12.8** (p. 289), **12.10** (p. 65) and **12.4**, No. 1, 1957 (p. 62); **31.1** (No. 3, 1957, pp. 22 and 37), **19.14**, (p. 24) adjusted to series in the previously published source; **19.10** (p. 56) and **19. B**.

Exports and imports of machinery and equipment in eastern Europe and the Soviet Union, 1950, 1953, 1955 and 1956 (Table 15)

Appendix Table XXXIII (for total engineering trade); **26.53** (pp. 12-13) and **31.6** (p. 12) for Soviet exports in 1953; Appendix Table XXXIV and sources there quoted (for details of trade by areas for Czechoslovakia, eastern Germany, Hungary and Bulgaria); **31.1** (No. 2, 1955, pp. 54-61 and 69, and No. 2, 1957, pp. 52-59 and 67) (for trade with western European countries); **10.6** (No. 86) for trade of eastern Germany with western Germany in 1956; **29.5** for total trade with countries outside the eastern trade area in 1953, 1955 and 1956.

VII. — MANPOWER AND EMPLOYMENT IN EASTERN EUROPE AND THE SOVIET UNION

Total population, changes in the age structure of the adult population, sex ratios, age and sex distribution of population in eastern Europe and the Soviet Union (Tables 1, 2 and VII-A, VII-C, Charts 1, 2 and 5)

Sources

1939, 1950 and 1955: General, **30.6** ; *Albania,* **1.5** *(pp. 53-69)*; *Bulgaria,* **4.4**; *Czechoslovakia,* **5.11**; *eastern Germany,* **9.9**; *Hungary,* **12.7**; *Poland,* **19.10**; *Rumania,* **21.7**; *Soviet Union,* **26.28**.

1970 : For *Bulgaria, Czechoslovakia, eastern Germany, Hungary* and *Poland,* see country notes below; for the *Soviet Union* it was assumed that the current rate of growth of 1.7 per cent per annum will be maintained until 1960 and then decline to 1.5 per cent in the years 1960-1965 and to 1.2 per cent in 1965-1970; for *Albania* and *Rumania* the current rate of growth was assumed; for *Rumania* see also **21.3** (No. 2, 1948).

Country notes on population projections

Bulgaria : **30.6**, 1956.

Assumptions: Age-specific birth- and death-rates to remain constant over the period 1955-1970.

The base population (end 1955) was taken from **30.6**. The distribution above the age of 60 in quinquennial age-groups was estimated on the basis of the 1946 census figures also given in **30.6**.

Czechoslovakia : **5.13** and **5.11**.

The 1950 and 1970 populations (in quinquennial age-groups) were estimated by inspection of the age-pyramids presented in **5.13** and checked against totals of larger age-groups given in the same source.

For the intervening years (1955, 1960 and 1965) the 1950 five-year age-groups were " survived " by the use of the mortality table of Austria in 1955. For the years 1950 to 1955 the actual number of births was taken into account; for the following years maintenance of the 1955 age-specific birth-rates (**5.11**) was assumed.

Eastern Germany : **9.9**.

Assumptions: Age-specific birth-rates to remain constant at the 1954 level. Infant mortality to decline by 20 per cent every five years. Age-specific death-rates above the age of one to decline gradually to attain the mortality conditions of New Zealand in 1951/52 by 1970.

The base population is that of the end of 1955 (**9.9**, 1955) adjusted by subtracting the 1956 emigrants, whose numbers in quinquennial age-groups were derived from comparison of the end 1955 and end 1956 (**9.9**, 1956) population figures with the theoretical number of survivors.

Numbers of persons reaching age 16 in the period 1950 to 1955 (Chart 5) were computed on the basis of the 1950 age distribution, account being taken (by interpolating the 1950 and 1955 distributions in single years of age) of the incidence of emigration. The post-1955 trend was estimated on the basis of the 1955 distribution, future emigration being assumed nil.

Hungary : **12.A**, **12.3** (September and October 1956), **12.4** and **12.11**.

Assumptions: Age-specific birth-rates to remain constant over the period 1956-1970 at 1955 level (**12.3**). Infant mortality to decline by 10 per cent every five years. Mortality rates (**12.3**) above age one to decline gradually to the level registered in New Zealand in 1951/52 and to remain stable on attaining this level.

The base population at the end of 1955 (**12.A**) was adjusted for the 182,000 emigrants in 1956 whose age composition was taken from **12.4**. Numbers of persons reaching the age of 16 in the period 1946-1970 (Chart 5) were computed by " surviving " the 1949 census population (**12.11**).

Poland : **30.6**, 1955; **19.10** (1956, 1957).

Assumptions: Age-specific fertility rates to remain constant over the period 1955 to 1970 at the 1954 level (**19.10**, 1956). The 1952/53 life table mortality rates (**19.10**, 1956) for age group 0-5 to decline by 6 per cent in 1955-60, 18 per cent in 1960-65 and 28 per cent in 1965-70. For age-groups 5 to 60, mortality rates to decline by 6 per cent in 1955-60, 5 per cent in 1960-65 and 4 per cent in 1965-70. Above the age of 60, mortality rates to remain constant at the 1952/53 level.

The base population was derived from (**30.6**), but the ten-year age intervals were split into five-year groups by " surviving " the 1950 census figures (**19.10**, 1957). The latter were adjusted to include 395,000 persons, presumably soldiers, who were excluded from the (**19.10**, 1957) tabulation. Numbers of persons reaching age 16 in the years 1946 to 1970 (Chart 5) were calculated by applying 1952/53 survival probabilities to the 1950 census age distribution.

Trends in age-specific death-rates (Table 3)

General : **37.1** (1942/44): **30.6** (1948 and 1956), *Bulgaria :* **4.4**, *eastern Germany :* **9.9**, *Hungary :* **12.7**, *Poland :* **19.10**.

Female wage-earners by main economic branches (Table 4)

General: **30.6** (1948); *Bulgaria :* **4.4**, **4.6** (No. 3, 1957), *Czechoslovakia :* **5.A**, *eastern Germany :* **9.9**, *Hungary :* **12.7**, *Poland :* **19.10**, *Rumania :* **21.A**, *Soviet Union :* **26.28**.

Shares of females in industrial employment in selected countries (Table 8)

Bulgaria : **4.4**, **4.6** (No. 3, 1957), *eastern Germany :* **9.9**, *Hungary :* **12.7**, *Poland :* **19.10**, *Great Britain :* **27.3** (No. 8, 1957), *United States :* **29.4**.

Working population and its structure in eastern Europe and the Soviet Union (Tables 9, 15, and VII-E)

Albania : Active population and farm employment from **1.5** (pp. 53, 59) and industrial employment from **1.8** (p. 40); 1950 non-farm employment from **1.2** (3 June 1952) and 1955 from **1.3** (1 May 1956) and **1.7**.

Bulgaria : 1934: **4.5**, 1938-56: **4.A**. Pre-war census data were adjusted to exclude armed forces, students and pensioners, but not for changes in territory. No adjustment was made to the post-war figures. The latter are yearly averages based on the main activity of the persons concerned (i.e., the sector in which employed for more than six months). The female working population in agriculture is an official estimate from collective farm accounts, family budgets, etc.

Czechoslovakia : 1930: **5.12**, 1948-56: **5.11**. Pre-war census data have been adjusted for territorial changes. For post-war data, the methods used are apparently the same as in Bulgaria.

Eastern Germany : 1939, 1946: **9.5** (No. 12, 1948) and **9.10**, 1950-56: **9.9** (1955 and 1956). There was no major methodological difference between the pre-war and the post-war census. The post-1950 estimates of the Central Statistical Administration refer to " working population " (i.e., excluding temporarily unemployed) in the sectors for which statistics were available (i.e., excluding certain sectors for which the data are regarded as confidential). According to a rough guess (**31.1**, Vol. 8, No. 3, p. 48), employment in these excluded sectors was 6-700,000 persons in 1950 and about 300,000 in 1955.

Hungary : 1941: **12.3** (No. 1-2, 1947), 1948-55: **12.7**. The 1941 data have been fully adjusted for coverage and changes in territory. The post-1949 official estimates refer to employment on 1 January of each year. As a result of this choice of date women are not counted as working in agriculture unless they are agricultural wage-earners or there is no adult male in the farm household. This method results in attributing higher activity rates for women in other sectors than agriculture, whereas in the other countries the shift away from agriculture lowers (statistically) female activity rates. On the other hand, during the season peasants working in building tend to be counted as active in agriculture.

Poland : 1931: **19.11**, 1950: **19.12**, 1953-55: **19.10** (1956); **19.A**. The 1930 data were adjusted for coverage (except that employment in credit institutions could not be separated from employment in trade) but refer to pre-war territory. The 1950 census was already based on the concept of " working " population. For 1955 only the total was given in **19.A**; it was not subdivided because of the " peasant-worker " problem. The figures for the sectors other than agriculture are rough estimates, based on the published yearly averages of wage-earners and fragmentary data concerning self-employment and family helpers.

Rumania : 1930: **21.8**, 1950-55: **21.7**. In the 1930 census, definitions and categories quite different from those in other countries were used; very rough adjustments to these data have been made. In the post-1950 official estimates, female activity in agriculture is defined on the basis of an age-convention (16-54 years); these estimates were published only as percentages. The absolute figures were derived from data on employment in private industry (**21.7**, p. 90) and the share of such industry in total industrial employment (**21.7**, p. 71). Some adjustments (based on yearly averages of wage-earners) were necessary for the sector " Transport and communications " since passenger transport and communications serving the population were included under " other unproductive sectors " in the original estimates.

Soviet Union : The data were obtained from a conjectural reconciliation of statistics published in the following sources: **26.28** (1956, pp. 19, 201, 202 and 205); **26.26** (p. 16) and **26.2** (29 April 1940) supplemented by data in **26.32** (pp. 23, 43 and 243) and **26.33** (pp. 250, 251).

Trends in crude birth and death rates and in rate of natural increase (Table VII-B)

General : **30.6** (1948, 1956); *Albania :* **1.5** (No. 5, 1957) and ATA despatch of 10 September 1955, **27.10 (iii)** (1955: No. 657); *Bulgaria :* **4.4**, *Czechoslovakia :* **5.11**, *eastern Germany :* **9.9**, *Hungary :* **12.7**, *Poland :* **19.10**, *Rumania :* **21.7**, *Soviet Union :* **26.28**.

LIST OF SOURCES QUOTED IN APPENDIX B

ALBANIA

1.1 *Zeri i Popullit.* Daily.

1.2 *Bashkimi.* Daily.

1.3 Agence télégraphique albanaise, Paris: *Albanie.* Irregular.

1.4 *L'Albanie nouvelle.* Every two months.

1.5 Komision të planit të shtetit: *Ekonomia popullore.* Every two months.

1.6 Partija e punës ë Shqipërisë. Komitati qëndror (Hoxha, E.): *Raporti i kometetit Qëndror të Partisë se Punës të Shqipërisë në kongresin III të partisë, 25 maj 1956.* 1956.

1.7 Shehu, M.: *Rapport sur les résultats de la réalisation du premier plan quinquennal et les directives du deuxième plan quinquennal pour le développement économique et culturel de la République Populaire d'Albanie au III^{e} congrès du Parti, 25 mai 1956.* 1956.

1.8 Shvets, V. V.: *Ekonomika narodnoi Respubliki Albanii,* Moscow. Gosudarstvennoe izdatelstvo politicheskoi literatury 1956.

AUSTRIA

2.1 Rechnungshof: *Bundesrechnungsabschluss der Republik Österreich für das Verwaltungsjahr.* Annual.

2.2 *Statistische Übersichten zu den Monatsberichten des Österreichischen Institutes für Wirtschaftsforschung.* Monthly.

2.3 Nationalrat: *Bundesfinanzgesetz.* Annual.

2.4 Österreichisches Statistisches Zentralamt: *Statistische Nachrichten.* Monthly.

2.5 Österreichisches Statistisches Zentralamt: *Statistik des Aussenhandels Österreichs.* Quarterly.

2.6 Kammer für Arbeiter und Angestellte für Wien: *Wirtschafts-Kurzberichte.* Irregular.

BELGIUM

3.1 Fédération des entreprises de l'industrie des fabrications métalliques (FABRIMETAL), Brussels: *Bulletin hebdomadaire d'information et de liaison.*

3.2 Banque nationale de Belgique: *Bulletin d'information et de documentation.* Monthly.

3.3 Institut national de statistique: *Bulletin de statistique.* Monthly.

3.4 Ministère du travail et de la prévoyance sociale de Belgique: *Revue du travail.* Monthly.

3.5 Institut national de statistique: *Bulletin mensuel du commerce extérieur de l'Union économique belgo-luxembourgeoise.* Monthly.

3.6 Ministère des affaires économiques: *L'économie belge.* Annual.

3.7 Ministère des affaires économiques: *Douzième rapport relatif au problème des investissements — Année 1956.* 1957.

3.8 Institut national de statistique: *Annuaire statistique de la Belgique et du Congo belge.*

3.9 Chambre des Représentants: *Budget des recettes et des dépenses. Exposé général.* Annual.

BULGARIA

4.1 *Rabotnichesko delo.* Daily.

4.2 Darzhavna planova komisiya: *Planovo stopanstvo.* Every two months.

4.3 Prezidiuma na narodnoto subranie: *Izvestiia.* Irregular.

4.4 Tsentralno statistichesko upravlenie pri Ministerskiya savet: *Statistitchesky godishnik na Narodna Republika Bulgaria — skrateno izdanie — 1956.* 1957.

4.5 Glavna direktsia na statistikata: *Statistichesky godishnik na Bulgarskoto 1939 (Annuaire statistique du Royaume de Bulgarie 1939).* 1939.

4.6 Tsentralno statistichesko upravlenie pri Ministerskiya savet: *Statistika.* Every two months.

4.7 Ministerstvo na turgoviyata: *Vneshna trgoviya.* Monthly.

4.8 Ministerstvo na finansite i durzhavniya kontrol, Bulgarska narodna banka, etc.: *Finansi i kredit.* Ten times a year.

4.9 *Otechestven front.* Daily.

4.10 *Trud.* Daily.

4.A Information supplied by the Central Statistical Office.

CZECHOSLOVAKIA

5.1 *Rudé Právo.* Daily.

5.2 Československá akademie zemědělských věd v Praze: *Za socialistické zemědělství.* Twice a month.

5.3 Czechoslovak Chamber of Commerce: *Czechoslovak Economic Bulletin.* Monthly.

5.4 Státní úřad statistický: *Statistický obzor.* Monthly.

5.5 Technickoorganisační výzkummý ústav strojírenský: *Podniková organisace.* Monthly.

5.6 Ministerstvo zahraničního obchodu: *Zahraniční obchod.* Monthly.

5.7 Ústřední výbor komunistické strany Československa: *Nová mysl.* Monthly.

5.8 Státní úřad plánovací: *Plánované hospodářství.* Ten times a year.

5.9 Státní úřad statistický: *Statistické zprávy.* Monthly.

5.10 Ministerstvo vnitra: *Úřední list Československé Republiky.* Irregular.

5.11 Státní úřad statistický: *Statistická ročenka Republiky Československé 1957.* 1957.

5.12 Státní úřad statistický: *Sčítání lidu v republice československé ze dne 1. prosince 1930. Díl II. Povolání obyvatelstva. Část I. (Recensement de la population dans la République Tchécoslovaque du* 1^{er} *décembre 1930.* $II^{ème}$ *tome: Profession de la population.* $1^{ère}$ *partie).* 1934.

5.13 Národní Shromáždění Republiky Československé: *Vládní návrh, 1956, No. 85: O sociálním zabezpečení.*

5.14 Státní úřad statistický: *Deset let rozvoje národního hospodářství a kultury Československé Republiky, 1945-1955.* 1956.

5.15 *Hospodářské noviny.* Orbis. Weekly.

5.16 *Zahraniční obchod a výroba.* 1955.

5.17 *Prague News Letter.* Orbis. Fortnightly.

5.A Information supplied by the Central Statistical Office.

DENMARK

6.1 Statistisk departement: *Statistiske efterretninger.* Frequent but irregular.

6.2 Statistisk departement: *Vareomsætningen med udlandet.* Monthly.

6.3 Statistisk departement: *Danmarks vareindførsel og -udførsel.* Annual.

6.4 *Economic Survey of Denmark.* Ministry for Foreign Affairs. Annual.

FINLAND

7.1 Tilastollinen päätoimisto — Statistiska centralbyrån: *Tilastokatsauksia — Statistiska översikter.* Monthly.

7.2 Valtiovarainministeriön kansantalousosasto — Finansministeriets avdelning för folkhushållningen: *Suhdannesarjat — Konjunkturserier.* Monthly.

7.3 Sosiaaliministeriö — Socialministeriet: *Sosiaalinen aikakauskirja — Social tidskrift.* Every two months.

7.4 Bank of Finland: *Monthly Bulletin.*

7.5 Tullihallitus — Tullstyrelsen: *Ulkomaankauppa, kuukausijulkaisu — Utrikeshandel, månadspublikation.* Monthly.

7.6 Kansallis-Osake-Pankki: *Economic Review.* Quarterly.

7.7 Tullihallitus — Tullstyrelsen: *Ulkomaankauppa, vuosijulkaisu — Utrikeshandel, årspublikation.* Annual.

7.8 Ministry of Finance: *Economic Survey.* Annual.

FRANCE

8.1 Institut national de la statistique et des études économiques: *Bulletin mensuel de statistique.*

8.2 Ministère du travail et de la sécurité sociale: *Enquête sur l'activité et les conditions d'emploi de la main-d'œuvre.* Quarterly. [Roneoed document.]

8.3 Ministère du travail et de la sécurité sociale: *Travail et main-d'œuvre — Statistiques.* Monthly.

8.4 Direction générale des douanes et droits indirects: *Statistique mensuelle du commerce extérieur de la France.*

8.5 Direction générale des douanes et droits indirects: *Tableau général du commerce extérieur. Commerce de la France avec la zone franc et les pays étrangers.* Annual.

8.6 Ministère des finances, des affaires économiques et du plan: *Rapport sur les comptes de la Nation.* 1955:
   (i) *Volume I: Rapport et comptes 1949-1955.*
   (ii) *Volume II: Méthodes.*

8.7 Ministère des affaires économiques et financières: *Rapport sur les comptes de la Nation de l'année 1956.* 1957.

8.8 Ministère des affaires économiques et financières: *Tableau économique de l'année 1951.* 1957.

8.9 Institut national de la statistique et des études économiques: *Initiation à la comptabilité nationale.* [To be published.]

8.10 Maillet, P.: " L'économie française vue à travers le tableau économique. Essai d'analyse et de mesure des interdépendances ": *Revue d'économie politique*, Vol. 67, pp. 342-377, May-June 1957.

8.11 Neuvième rapport de la Commission des investissements. [To be published.]

8.12 *Projet de loi de finances pour 1958. Rapport économique.* 1957.

8.13 Ministère des finances: *Statistiques et études financières.* Monthly.

8.14 " Loi de finances pour 1958 ": *Journal officiel de la République française. Lois et décrets.* Vol. 89, pp. 11924-11933, No. 303, 30-31 décembre 1957.

8.15 *Le Monde.* Daily.

8.A Information supplied by the Ministry of Finance and Economic Affairs.

EASTERN GERMANY

9.1 *Neues Deutschland.* Daily.
9.2 *Die Wirtschaft.* Verlag die Wirtschaft. Weekly.
9.3 *Der Aussenhandel.* Verlag Die Wirtschaft. Twice a month.
9.4 *Deutsche Finanzwirtschaft.* Verlag Die Wirtschaft. Twice a month.
9.5 Staatliche Zentralverwaltung für Statistik: *Statistische Praxis.* Monthly.
9.6 Zentralkomitee der sozialistischen Einheitspartei Deutschlands: *Einheit.* Dietz Verlag. Monthly.
9.7 *Wirtschaftswissenschaft.* Verlag Die Wirtschaft. Every two months.
9.8 Büro des Präsidiums des Ministerrates der Deutschen Demokratischen Republik: *Gesetzblatt der Deutschen Demokratischen Republik, Teil I.* Irregular.
9.9 Staatliche Zentralverwaltung für Statistik: *Statistisches Jahrbuch der Deutschen Demokratischen Republik.*
9.10 Gleitze, B. (for Deutsches Institut für Wirtschaftsforschung, Berlin): *Ostdeutsche Wirtschaft; industrielle Standorte und volkswirtschaftliche Kapazitäten des ungeteilten Deutschland.* Dunker & Humblot, Berlin, 1956.
9.11 Staatliche Zentralverwaltung für Statistik: *Vierteljahreshefte zur Statistik der Deutschen Demokratischen Republik.*

WESTERN GERMANY

10.1 Statistisches Bundesamt, Wiesbaden: *Statistischer Wochendienst.*
10.2 Statistisches Bundesamt, Wiesbaden: *Wirtschaft und Statistik.* Monthly.
10.3 " Die Neuberechnung des Sozialprodukts für die Bundesrepublik Deutschland. Ergebnisse für die Jahre 1950 bis 1954." *10.2* Vol. 9, pp. 123-149, March 1957.
10.4 *Monthly Report of the Deutsche Bundesbank* [formerly Bank Deutscher Länder], Frankfurt.
10.5 Statistisches Bundesamt, Wiesbaden: *Der Aussenhandel der Bundesrepublik Deutschland.* Monthly:
  (i) *Teil 1: Zusammenfassende Übersichten.*
  (ii) *Teil 2: Waren nach Herstellungsländern und Verbrauchsländern.*
  (iii) *Teil 3: Bezugs- und Absatzgebiete nach Warengruppen und -untergruppen.*
  (v) *Teil 5: Special Trade according to the Standard International Trade Classification (SITC) and by Countries of Production and Consumption.*
10.6 Statistisches Bundesamt, Wiesbaden: *Statistische Berichte: Arb. Nr. V/30: Der Interzonenhandel des Bundesgebietes und West-Berlins mit dem Währungsgebiet der DM-Ost.* Monthly.
10.7 Statistisches Bundesamt, Wiesbaden: *Preise, Löhne, Wirtschaftsrechnungen. Reihe 10. Arbeiterverdienste: Verdienste der Industriearbeiter.* Irregular.
10.8 Institut für Wirtschaftsforschung (IFO), Munich: *Untersuchungen zur grossen Steuerreform, Teil I: Voruntersuchungen.* 1953.
10.9 Bundesverband der Deutschen Industrie, Cologne: *Die Umsatzsteuervorbelastung von Exportgütern.* 1952. [Roneoed document.]
10.10 Statistisches Bundesamt, Wiesbaden: *Die Industrie der Bundesrepublik Deutschland. Reihe I: Beschäftigung und Umsatz. Brennstoff- und Energieversorgung.* Monthly.
10.11 Institut für Wirtschaftsforschung: *Vierteljahrshefte zur Wirtschaftsforschung.* Berlin, Duncker & Humblot.
10.12 Bundesministerium für Wirtschaft: *Bericht der Bundesrepublik Deutschland über die wirtschaftliche Lage und die Entwicklungsmöglichkeiten bis zum Jahre 1958 (Deutscher Beitrag zum " 9. Jahresbericht des Europäischen Wirtschaftsrates 1957 ").* 1957.
10.13 Statistisches Bundesamt, Wiesbaden: *Statistisches Jahrbuch für die Bundesrepublik Deutschland.*
10.14 Bundesminister der Finanzen: *Bundeshaushaltsplan für das Rechnungsjahr 1957.*
10.15 *Statistische Zusammenstellungen uber Aluminium, Blei, Kupfer, Zink, Zinn, Kadmium, Magnesium, Nickel, Quecksilber und Silber 1946–1955.* Frankfurt, Metallgesellschaft, 1956.

GREECE

11.1 Etnike statistike uperesia (National Statistical Service): *Meniaion statistikon deltion — Monthly Statistical Bulletin.*
11.2 Etnike statistike uperesia (National Statistical Service): *Meniaion deltion statistikes exioterikoii — Monthly Bulletin of External Trade Statistics.*
11.3 Hypourgeion syntonismou (Ministry of Co-ordination): *Ethnikoi logariasmoi the Ellados 1956 — National Accounts of Greece 1956.* 1957.
11.4 Trapeza the Ellados (Bank of Greece): *Meniaion statistikon deltion — Monthly Statistical Bulletin.*

HUNGARY

12.1 *Népszabadság.* Daily.
12.2 *Népszava* [formerly *Népakarat*]. Daily.
12.3 Központi statisztikai hivatal: *Statisztikai szemle.* Monthly.
12.4 Központi statisztikai hivatal: *Statisztikai havi közlemények.*
12.5 Közgazdaságtudományi intézet: *Közgazdasági szemle.* Monthly.

12.6 Magyar szocialista munkáspárt: *Társadalmi szemle.* Every two months.
12.7 Központi statisztikai hivatal: *Magyar statisztikai zsebkönyv.* Annual.
12.8 Központi statisztikai hivatal: *Adatok és adalékok a népgazdasag fejlödésének tanulmányozásához 1949-1955.* 1957.
12.9 Központi statisztikai hivatal: *Fontosabb adatok az 1956 október — decemberi idöszakról.* 1957.
12.10 Központi statisztikai hivatal: *Népgazdasági mérlegek, reáljövedelmek 1956.* 1957.
12.11 Központi statisztikai hivatal: *1949. Évi népszámlálas. 9. Demográfiai eredmények.* 1950.
12.A Information supplied by the Central Statistical Office.

ICELAND

13.1 Hagstofa: *Hagtidindi.* Monthly.
13.2 Hagstofa: *Verzlunarskýrslur.* Annual.

IRELAND

14.1 Central Statistics Office: *Irish Trade Journal and Statistical Bulletin.* Quarterly.
14.2 Central Statistics Office: *Trade Statistics of Ireland.* Monthly.
14.3 Central Statistics Office: *Trade and Shipping Statistics.* Annual.
14.4 Department of Finance: *Finance Accounts for the Financial Year ... ended 31st March.* Annual.
14.5 Department of Finance: *Estimates of Receipts and Expenditure for the Year ending 31st March 1958.* 1957.

ITALY

15.1 *24 Ore*, Milan. Daily.
15.2 Istituto centrale di statistica: *Bollettino mensile di statistica.*
15.3 Associazione bancaria italiana: *Bancaria.* Monthly.
15.4 Centro per la statistica aziendale, Florence: *Lettere d'affari.* Supplement to *Index.* Monthly.
15.5 Istituto centrale di statistica: *Statistica mensile del commercio con l'estero.*
15.6 *Rassegna di statistiche del lavoro.* Every two months.
15.7 Ministero del lavoro e della previdenza sociale: *Statistiche del lavoro.* Quarterly. [With irregular supplements.]
15.8 Ministro del bilancio e Ministro del tesoro: *Relazione generale sulla situazione economica del Paese.* Annual.
15.9 Banca d'Italia: *Assemblea generale ordinaria dei partecipanti.* (Relazione del Governatore sull'esercizio). Annual.
15.10 Istituto centrale di statistica: *Statistica annuale del commercio con l'estero.*
15.A Information supplied by the Central Statistical Office.

LUXEMBOURG

16.1 Ministère des finances: *Projet de loi concernant le budget des recettes et des dépenses de l'Etat pour l'exercice 1958.* 1957.

NETHERLANDS

17.1 Centraal bureau voor de statistiek: *Maandschrift.*
17.2 Centraal bureau voor de statistiek: *Statistisch bulletin.* [Frequent but irregular.]
17.3 Centraal bureau voor de statistiek: *Maandstatistiek van de in-, uit- en doorvoer per goederensoort.*
17.4 Centraal bureau voor de statistiek: *Maandstatistiek van de in-, uit,- en doorvoer per land.*
17.5 Centraal bureau voor de statistiek: *Statistische en econometrische onderzoekingen.* 1957, 2nd Quarter. Quarterly.
17.6 " Cumulated cost ratios for the Netherlands economy in 1950 ". Central Bureau of Statistics: *Statistical Studies* No. 6, November 1955, pp. 3-30.
17.7 Centraal bureau voor de statistiek: *Nationale jaarrekeningen 1948-1950.* 1953.
17.8 Centraal bureau voor de statistiek: *Sociale maandstatistiek.*
17.9 Centraal bureau voor de statistiek: *Maandstatistiek van de nijverheid.*
17.10 Centraal bureau voor de statistiek: *Statistiek der lonen.* Irregular.
17.11 Centraal planbureau: *Centraal economisch plan 1957.* 1957.
17.12 Minister van financiën: *Nota betreffende de toestand van's Rijks financiën. Behorende bij de ontwerp-begroting.* Annual.
17.A Information supplied by the Central Bureau of Statistics.

NORWAY

18.1 Statistisk sentralbyrå: *Statistiske meldinger.* Monthly.
18.2 Statistisk sentralbyrå: *Månedsoppgaver over vareomsetningen med utlandet.* Monthly.
18.3 Statistisk sentralbyrå: *Norges handel.* Annual.
18.4 Statistisk sentralbyrå: *Nasjonalregnskap 1938 og 1948-1953.* 1954.
18.5 Statistisk sentralbyrå: *Økonomisk utsyn.* Annual.
18.6 Arbeidsdirektoratet: *Arbeidsmarkedet.* Monthly.
18.7 Statistisk sentralbyrå: *Aktuell statistikk.* Irregular. [Roneoed document.]

18.8 Nordiske Økonomiske samarbeidsutvalg: *Nordisk Økonomisk samarbeid. Spesiell del: Økonomiske samarbeidsproblemer.* 1957.

18.9 Finans- og tolldepartementet: *Nasjonalbudsjettet.* Annual.

POLAND

19.1 *Trybuna ludu.* Daily.

19.2 *Zycie gospodarcze.* Polskie wydawnictwa gospodarcze. Fortnightly.

19.3 *Gospodarka planowa.* Polskie wydawnictwa gospodarcze. Monthly.

19.4 Komitet centralny Polskiej Zjednoczonej Partii Robotniczej: *Nowe drogi.* Monthly.

19.5 Glówny urząd statystyczny: *Wiadomości statystyczne.* Monthly.

19.6 Główny urząd statystyczny: *Biuletyn statystyczny.* Monthly.

19.7 *Przegląd zagadnień socjalnych.* Polskie wydawnictwa gospodarcze. Monthly.

19.8 Polska Jzba Handlu Zagranicznego: *Handel zagraniczny.* Monthly.

19.9 Komitet nauk ekonomicznych Polskiej Akademii Nauk i Polskiego Towarzystwa Ekonomicznego: *Ekonomista.* Every two months.

19.10 Główny urząd statystyczny: *Rocznik statystyczny.* Annual.

19.11 Główny urząd statystyczny: *Drugi powszechny spis ludności z dn. 9. XII 1931 R. (Deuxième recensement général de la population du 9 décembre 1931).* 1938.

19.12 Główny urząd statystyczny: *Narodowy spis powszechny z dnia 3 grudnia 1950 R.* 1954.

19.13 Komisja Planowania: *Materiały do projektu uchwały o planie rozwoju gospodarczego w latach 1956-1960.* 1957.

19.14 Główny urząd statystyczny: *Dochód narodowy Polski 1954 i 1955.* 1957.

19.15 Polish Embassy, London: *Polish Facts & Figures.* Weekly.

19.A Information supplied by the Planning Commission.

19.B Information supplied by the Central Statistical Office.

PORTUGAL

20.1 Instituto nacional de estatistica: *Boletim mensal.*

20.2 Instituto nacional de estatistica: *Comércio externo.* Annual.

20.3 Ministério das finanças: *Proposta de lei de autorização das receitas e despesas.* Annual.

RUMANIA

21.2 *Scînteia.* Daily.

21.2 *La Roumanie nouvelle.* Twice a month.

21.3 Institutul de cercetări economice: *Probleme economice.* Monthly.

21.4 Direcţia centrală de statistică: *Buletin statistic trimestrial.* Quarterly.

21.5 Rumanian News Agency " Agerpres ": *Agerpres, Information Bulletin.* Irregular.

21.6 Legation of the Romanian People's Republic, New York: *Romanian News.* Weekly. [Publication ceased.]

21.7 Direcţiunea centrală de statistică: *Anuarul statistical R.P.R. 1957.* 1957.

21.8 Institutul central de statistică: *Recensământul general al populaţiei României din 29 decemvrie 1930. Volumul V: Profesiuni.* 1940.

21.9 *Munca.* Daily.

21.A Information supplied by the Central Directorate of Statistics.

SPAIN

22.1 Dirección general de aduanas: *Estadística del comercio exterior de España.* Monthly.

22.2 Dirección general de aduanas: *Estadística del comercio exterior de España.* Annual.

22.3 Dirección general de aduanas: *España i clasificación uniforme para el comercio internacional.* Annual.

SWEDEN

23.1 Kommerskollegium: *Kommersiella meddelanden.* Monthly.

23.2 Socialstyrelsen: *Sociala meddelanden.* Monthly.

23.3 Kommerskollegium: *Månadsstatistik över handeln* [Supplement to *23.1*].

23.4 Kommerskollegium: *Handel.* Annual.

23.5 Statistiska centralbyrån: *Statistisk årsbok för Sverige. 1957.*

23.6 Johansson, Ö.: " En uppskattning av nationalproduktens i Sverige utveckling under åren 1938-1940 och åren 1945-1954 ". Finansdepartementet — Långtidsutredningen, 1955: *Balanserad expansion. Bilagor : Särskilda utredningar.* 1957.

23.7 Konjunkturinstitutet: *Reviderad nationalbudget för år 1957.* 1957.

23.8 Konjunkturinstitutet: *Konjunkturläget, hösten 1957*, 1957.

23.9 Riksdagen: *Riksstat för budgetåret 1958/59.* 1958

23.10 Riksräkenskapsverket: *Budget-redovisning för budgetåret.* Annual.

23.11 Riksdagen: *Riksstat för budgetåret 1957/58.* 1957.

23.A Information supplied by the Konjunkturinstitutet.

SWITZERLAND

24.1 Département fédéral de l'économie publique: *La vie économique.* Monthly.

24.2 Département fédéral de l'économie publique: *La situation économique.* [Quarterly supplement to *24.1*]

24.3 Direction générale des douanes fédérales: *Statistique mensuelle du commerce extérieur de la Suisse.*

24.4 Direction générale des douanes fédérales: *Statistique annuelle du commerce extérieur de la Suisse.*

24.5 Direction générale des douanes fédérales: *Statistique du commerce suisse, rapport annuel.*

24.6 *Neue Zürcher Zeitung.* Zurich. Daily.

TURKEY

25.1 Istatistik umum müdürlügü: *Aylik istatistik bülteni — Monthly Bulletin of Statistics.*

25.2 Istatistik umum müdürlügü: Diş ticaret aylik istatistik — *Özel ticaret — Seri 1 — Statistique mensuelle du commerce extérieur — Commerce spécial — Série 1.* Quarterly.

25.3 Istatistik umum müdürlügü: *Diş ticaret. Diş ticaret istatistiklerine mahsus tip tasnifin bölüm, grup ve pozisyonlarina göre tertip edilmiştir — Kisim 4 : Özel ticaret. Madde ve madde gruplari itibarile ithalât ve ihracat — Statistique du commerce extérieur selon les sections, groupes et positions de la classification type pour le commerce international. Partie 4 : Commerce spécial. Importations et exportations par articles et par groupe d'articles.* Quarterly.

UNION OF SOVIET SOCIALIST REPUBLICS

26.1 *Izvestia.* Daily.

26.2 *Pravda.* Daily.

26.3 *Trud.* Daily.

26.4 Ministerstvo selskogo khozyaistva S.S.S.R.: *Selskoe Khozyaistvo.* Daily.

26.5 U.S.S.R. Society for Cultural Relations with Foreign Countries (VOKS): *Moscow News.* Twice a week.

26.6 Tsentralny Komitet Kommunisticheskoi partii Sovetskogo Soyuza: *Kommunist.* Eighteen times a year.

26.7 Ministerstvo selskogo khozyaistva S.S.S.R.: *Ekonomika selskogo khozyaistva* [formerly *Sotsialisticheskoe Selskoe Khozyaistvo*]. Monthly.

26.8 Ministerstvo Selskogo khozyaistva S.S.S.R.: *Sovkhoznoe Proizvodstvo.* Monthly.

26.9 Ministerstvo vneshnei torgovli S.S.S.R.: *Vneshnyaya Torgovlya.* Monthly.

26.10 Ministerstvo vneshnei torgovli S.S.S.R.: *Vneshnyaya Torgovlya (Statistichesky Obzor).* [Until 1938.] Monthly.

26.11 Ministerstvo torgovli S.S.S.R.: *Sovetskaya Torgovlya.* Monthly.

26.12 Ministerstvo finansov S.S.S.R.: *Finansy SSSR* [formerly *Finansy i Kredit SSSR*]. Monthly.

26.13 Gosudarstvenny bank S.S.S.R.: *Dengi i Kredit.* Monthly.

26.14 Tsentralnoe statisticheskoe upravlenie: *Vestnik Statistiki.* Monthly.

26.15 Institut Ekonomiki Akademii Nauk S.S.S.R.: *Voprosy Ekonomiki.* Monthly.

26.16 Gosudarstvennoe izdatelstvo literatury po stroitelstvu i arkhitekture: *Stroitelnaya Promyshlennost.* Monthly.

26.17 Ministerstvo morskogo flota S.S.S.R.: *Morskoi Flot.* Monthly.

26.18 Pishchpromizdat: *Sakharnaya Promyshlennost.* Monthly.

26.19 Gosudarstvenny nauchno-tekhnichesky komitet Soveta Ministrov S.S.S.R.: *Molochnaya Promyshlennost.* Monthly.

26.20 Institut prava i. A. Ya. Vyshinskogo Akademii Nauk S.S.S.R.: *Sovetskoe Gosudarstvo i Pravo.* Monthly.

26.21 Gosplan S.S.S.R.: *Planovoe Khozyaistvo.* Monthly.

26.22 Verkhovny Sovet S.S.S.R.: *Stenografichesky otchet zasedania Verkhovnogo Soveta S.S.S.R.* Twice a year.

26.23 Gosplan S.S.S.R.: *Kontrolnye tsifry narodnogo khozyaistva S.S.S.R. na 1928/29 god.* 1929.

26.24 Gosplan S.S.S.R.: *Trety pyatiletny plan.* 1939.

26.25 Gosplan S.S.S.R.: *Sotsialisticheskoe stroitelstvo SSSR.* 1936.

26.26 Gosplan S.S.S.R.: *Sotsialisticheskoe stroitelstvo Soyuza SSR (1933-1938 gg).* 1939.

26.27 *Direktivy XX syezda K.P.S.S. po shestomu pyatiletnemu planu razvitia narodnogo khozyaistva SSSR na 1956-1960 gody.* 1956.

26.28 Tsentralnoe statisticheskoe upravlenie: *Narodnoe khozyaistvo SSSR v 1956 godu.* 1957.

26.29 Tsentralnoe statisticheskoe upravlenie: *Kulturnoe stroitelstvo SSSR.* 1956.

26.30 Tsentralnoe statisticheskoe upravlenie: *Sovetskaya torgovlya, statistichesky sbornik.* 1956.

26.31 Tsentralnoe statisticheskoe upravlenie: *Transport i svyaz SSSR.* 1957.

26.32 Tsentralnoe statisticheskoe upravlenie: *Promyshlennost SSSR.* 1957.

26.33 Tsentralnoe statisticheskoe upravlenie: *Dostizhenia sovetskoi vlasti za 40 let v tsifrakh.* 1957.

26.34 Tsentralnoe statisticheskoe upravlenie: *Posevnye ploshchadi SSSR.* 1957.

26.35 Tsentralnoe statisticheskoe upravlenie: *Chislennost skota v SSSR.* 1957.

26.36 Statisticheskie upravleniya respublik, kraev i oblastei. Various statistical abstracts. 1957.

26.37 Soviet Embassy, London: *Soviet News.* Daily.

26.38 Soviet Embassy, London: *Soviet Weekly.*
26.39 Bureau soviétique d'information, Paris: *U.R.S.S.* Daily.
26.40 Ministerstvo vneshnei torgovli S.S.S.R.: *Khozyaistvennoe razvitie stran narodnoi demokratii.* 1953.
26.41 Ministerstvo vneshnei torgovli S.S.S.R.: *Khozyaistvennoe razvitie stran narodnoi demokratii.* 1954.
26.42 Ministerstvo vneshnei torgovli S.S.S.R.: *Razvitie ekonomiki stran narodnoi demokratii.* 1955.
26.43 Ministerstvo vneshnei torgovli S.S.S.R.: *Razvitie ekonomiki evropeiskhikh stran narodnoi demokratii.* 1956.
26.44 Ministerstvo vneshnei torgovli S.S.S.R.: *Razvitie ekonomiki evropeiskhikh stran narodnoi demokratii.* 1957.
26.45 Ministerstvo vneshnei torgovli S.S.S.R.: *Razvitie ekonomiki stran narodnoi demokratii Azii.* 1956.
26.46 Ministerstvo vneshnei torgovli S.S.S.R.: *Razvitie ekonomiki stran narodnoi demokratii Azii.* 1957.
26.47 Kovrizhny, M. F.: *Vneshnyaya torgovlya stran narodnoi demokratii.* 1955.
26.48 Sergeev, S. D.: *Ekonomicheskoe sotrudnichestvo i vzaimopomoshch stran sotsialisticheskogo lagerya.* 1956.
26.49 Koort, F.: *Soviet Industry and Foreign Trade.* London, Soviet Embassy. 1957.
26.50 Bogomolov, O. T.: *Razvitie ekonomicheskikh svayzei SSSR s zarubezhnymi stranami.* 1957.
26.51 Yezhov, A.: *Soviet statistics.* Moscow, Foreign Languages Publishing House. 1957.
26.52 Gosudarstvennoe nauchnoe izdatelstvo: *Bolshaya Sovetskaya Entsiklopedia,* 2nd edition. 1950-1958.
26.53 Mikoyan, A. I.: *Rech na sobranii izbiratelei Erevanskogo-Stalinskogo izbiratelnogo okruga g. Erevan, 11 marta 1954 g.* 1954.
26.A Information supplied by the Ministry of Foreign Affairs of the U.S.S.R.

UNITED KINGDOM

27.1 *Board of Trade Journal.* Weekly.
27.2 Central Statistical Office: *Monthly Digest of Statistics.*
27.3 *Ministry of Labour Gazette.* Monthly.
27.4 Board of Trade: *Report on Overseas Trade.* Monthly.
27.5 Board of Trade: *Accounts relating to Trade and Navigation of the United Kingdom.* Monthly.
27.6 Commissioners of H.M. Customs and Excise: *Annual Statement of the Trade of the United Kingdom with Commonwealth Countries and Foreign Countries.*
27.7 The *Economist* Intelligence Unit: *Hard Fibres.* Quarterly.
27.8 Commonwealth Economic Committee: *Industrial Fibres.* Annual.
27.9 Imperial Institute: *The Mineral Industry of the British Empire and Foreign Countries. Statistical Summary (Production, Imports and Exports), 1929-1931,* 1932; *1938-1944,* 1948.
27.10 British Broadcasting Corporation, Monitoring Service: *Summary of the World Broadcasts.* Twice a week:
 (i) *Part I : The U.S.S.R.*
 (ii) *Part II A : Poland, Czechoslovakia, eastern Germany, Finland.*
 (iii) *Part II B : Hungary, Rumania, Bulgaria, Albania, Yugoslavia.*
27.11 Central Statistical Office: *National Income and Expenditure.* Annual.
27.12 Central Statistical Office: *Economic Trends.* Monthly.
27.13 Treasury: *Financial Statement.* Annual.
27.14 Credit Insurance Association: *Bulletin.* Irregular.

YUGOSLAVIA

28.1 *Borba.* Daily.
28.2 Savezni zavod za statistiku: *Statistika spoljne trgovine FNR Yugoslavije.* Semi-annual.
28.3 Savezni zavod za statistiku: *Indeks mesečni pregled privredne statistike FNRJ.* Monthly.
28.4 Savezni zavod za statistiku: *Statistički godišnjak FNRJ.* Annual.
28.5 Federal Chamber of Foreign Trade: *Commercial Information.* Monthly.
28.6 *Politika.* Daily.

UNITED STATES OF AMERICA

29.1 Department of Commerce: *World Trade Information Service — Part 3 — Statistical Reports :* various subjects, of which the following series: *Total Export and Import Trade of the United States.* Monthly.
29.2 Department of Commerce: *Survey of Current Business.* Monthly.
29.3 Department of Commerce: *Statistical Abstract of the United States.* Annual.
29.4 The President's Materials Policy Commission: *Resources for Freedom. Volume II : The Outlook for Key Commodities.* 1952.
29.5 Department of Commerce: *Free World, Imports from — and Exports to Soviet Bloc Countries by Commodity Groups.* Annual.
29.6 Senate Committee on Foreign Relations — Subcommittee on Technical Assistance programs: *Soviet Technical Assistance.* 1956.

UNITED NATIONS, NEW YORK

30.1 Statistical Office: *Monthly Bulletin of Statistics.*

30.2 Statistical Office (Jointly with the International Monetary Fund and the International Bank for Reconstruction and Development): *Direction of International Trade.* (Statistical Papers, Series T.). One annual issue plus eleven monthly issues.

30.3 Statistical Office: *Commodity Trade Statistics according to the Standard International Trade Classification* (Statistical Papers, Series D.). Quarterly.

30.4 Statistical Office: *Standard International Trade Classification* (Statistical Papers, Series M., No. 10). Second edition. 1951.

30.5 Statistical Office: *Yearbook of International Trade Statistics.*

30.6 Statistical Office: *Demographic Yearbook.*

30.7 Statistical Office: *International Standard Industrial Classification of all Economic Activities* (Statistical Papers, Series M., No. 4). 1949.

30.8 Statistical Office: *Statistics of National Income and Expenditure* (Statistical Papers, Series H., No. 10). 1957.

ECONOMIC COMMISSION FOR EUROPE, GENEVA

31.1 *Economic Bulletin for Europe.* Three times a year.

31.2 *Economic Survey of Europe in 1956.* 1957.

31.3 *Economic Survey of Europe since the War.* 1953.

31.4 *Quarterly Bulletin of Steel Statistics for Europe.*

31.5 *Quarterly Bulletin of Coal Statistics for Europe.*

31.6 *Economic Commission for Europe : Tenth Session — Summary Record.* E/ECE/S.R. 10/13. 1955.

ECONOMIC COMMISSION FOR LATIN AMERICA, SANTIAGO, CHILE

32.1 *Economic Survey of Latin America 1956* (E/CN.12/427). 1957.

INTERNATIONAL LABOUR ORGANISATION, GENEVA

33.1 *Year Book of Labour Statistics 1957.* 1957.

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS, ROME

34.1 *Monthly Bulletin of Agricultural Economics and Statistics.*

34.2 *Yearbook of Food and Agricultural Statistics:*
  (i) *Part I: Production.*
  (ii) *Part II: Trade.*

INTERNATIONAL MONETARY FUND, WASHINGTON, D.C.

35.1 *International Financial Statistics.* Monthly.

ORGANIZATION FOR EUROPEAN ECONOMIC CO-OPERATION, PARIS

36.1 *OEEC Statistical Bulletins — General Statistics.* Every two months.

36.2 *OEEC Statistical Bulletins — Foreign Trade:*
  (i) *Series I — Foreign Trade by Areas.* Every two months.
  (ii) *Series II — Foreign Trade by Commodity Categories and by Area.* Quarterly.
  (iii) *Series III — Foreign Trade of Selected Commodities.* Quarterly.
  (iv) *Series IV — Foreign Trade by Commodity and Area of Origin and Destination.* One issue for each of the following countries:
  Austria, Belgium-Luxembourg, Canada, Denmark, France, Germany, Greece, Iceland, Ireland, Italy, Netherlands, Norway, Portugal, Sweden, Switzerland, Turkey, United Kingdom, United States of America, Semi-annual.
  Member Countries Combined. Annual.

36.3 *Foreign Trade by Areas, 1928, 1937-1953.* [Special issue *36.2 (i)*.] 1954.

36.4 *Statistics of National Product and Expenditure, No. 2, 1938 and 1947 to 1955.* 1957.

36.5 *Demographic Trends in Western Europe 1951-1971.* A Report by the Manpower Committee. 1956.

MISCELLANEOUS

37.1 League of Nations, Geneva: *Statistical Yearbook of the League of Nations.*

37.2 League of Nations, Geneva: *The Network of Foreign Trade.* 1942.

37.3 International Tin Study Group, The Hague: *Statistical Year Book.*

37.4 Dominion Bureau of Statistics, Canada: *Review of Foreign Trade.* Semi-annual.

37.5 International Institute of Agriculture, Rome: *International Yearbook of Agricultural Statistics 1933-34.* 1934.

37.6 International Rubber Study Group, London: *Rubber Statistical Bulletin.* Monthly.

SALES AGENTS FOR UNITED NATIONS PUBLICATIONS

ARGENTINA
Editorial Sudamericana S.A., Alsina 500, Buenos Aires.

AUSTRALIA
H. A. Goddard, A.M.P. Bldg., 50 Miller St., North Sydney; and 90 Queens St., Melbourne.
Melbourne University Press, 369/71 Lonsdale Street, Melbourne C.1.

AUSTRIA
Gerold & Co., Graben 31, Wien, 1.
B. Wüllerstorff, Markus Sittikusstrasse 10, Salzburg.

BELGIUM
Agence et Messageries de la Presse S.A., 14-22 rue du Persil, Bruxelles.
W. H. Smith & Son, 71-75, boulevard Adolphe-Max, Bruxelles.

BOLIVIA
Librería Selecciones, Casilla 972, La Paz.

BRAZIL
Livraria Agir, Rua Mexico 98-B, Caixa Postal 3291, Rio de Janeiro.

BURMA
Curator, Govt. Book Depot, Rangoon.

CAMBODIA
Papeterie-Librairie Xuân Thu, 14, Avenue Boulloche, Pnom-Penh.

CANADA
Ryerson Press, 299 Queen St. West, Toronto.

CEYLON
Lake House Bookshop, Assoc. Newspapers of Ceylon, P.O. Box 244, Colombo.

CHILE
Editorial del Pacífico, Ahumada 57, Santiago.
Librería Ivens, Casilla 205, Santiago.

CHINA
The World Book Co., Ltd., 99 Chung King Road, 1st Section, Taipeh, Taiwan.
The Commercial Press Ltd., 211 Honan Rd., Shanghai.

COLOMBIA
Librería América, Medellín.
Librería Buchholz Galería, Bogotá.
Librería Nacional Ltda., Barranquilla.

COSTA RICA
Trejos Hermanos, Apartado 1313, San José.

CUBA
La Casa Belga, O'Reilly 455, La Habana.

CZECHOSLOVAKIA
Ceskoslovensky Spisovatel, Národní Trida 9, Praha 1.

DENMARK
Einar Munksgaard, Ltd., Norregade 6, Kobenhavn, K.

DOMINICAN REPUBLIC
Librería Dominicana, Mercedes 49, Ciudad Trujillo.

ECUADOR
Librería Científica, Guayaquil and Quito.

EL SALVADOR
Manuel Navas y Cía., 1a. Avenida sur 37, San Salvador.

ETHIOPIA
International Press Agency, P.O. Box 120, Addis Ababa.

FINLAND
Akateeminen Kirjakauppa, 2 Keskuskatu, Helsinki.

FRANCE
Editions A. Pédone, 13, rue Soufflot, Paris V.

GERMANY
R. Eisenschmidt, Kaiserstrasse 49, Frankfurt/Main.
Elwert & Meurer, Hauptstrasse 101, Berlin-Schöneberg.
Alexander Horn, Spiegelgasse 9, Wiesbaden.
W. E. Saarbach, Gereonstrasse 25-29, Köln (22c).

GREECE
Kauffmann Bookshop, 28 Stadion Street, Athènes.

GUATEMALA
Sociedad Económica Financiera, 6a Av. 14-33, Guatemala City.

HAITI
Librairie "A la Caravelle", Port-au-Prince.

HONDURAS
Librería Panamericana, Tegucigalpa.

HONG KONG
The Swindon Book Co., 25 Nathan Road, Kowloon.

ICELAND
Bokaverzlun Sigfusar Eymundssonar H. F., Austurstraeti 18, Reykjavik.

INDIA
Orient Longmans, Calcutta, Bombay, Madras and New Delhi.
Oxford Book & Stationery Co., New Delhi and Calcutta.
P. Varadachary & Co., Madras.

INDONESIA
Pembangunan, Ltd., Gunung Sahari 84, Djakarta.

IRAN
"Guity", 482 Ferdowsi Avenue, Teheran.

IRAQ
Mackenzie's Bookshop, Baghdad.

IRELAND
Stationery Office, Dublin.

ISRAEL
Blumstein's Bookstores Ltd., 35 Allenby Road, Tel-Aviv.

ITALY
Librería Commissionaria Sansoni, Via Gino Capponi 26, Firenze and Roma.

JAPAN
Maruzen Company, Ltd., 6 Tori-Nichome, Nihonbashi, Tokyo.

JORDAN
Joseph I. Bahous & Co., Dar-Ul-Kutub, Box 66, Amman.

KOREA
Eul-Yoo Publishing Co. Ltd., 5, 2-KA, Chongno, Seoul.

LEBANON
Librairie Universelle, Beyrouth.

LIBERIA
J. Momolu Kamara, Monrovia.

LUXEMBOURG
Librairie J. Schummer, Luxembourg.

MEXICO
Editorial Hermes S.A., Ignacio Mariscal 41, México, D.F.

NETHERLANDS
N.V. Martinus Nijhoff, Lange Voorhout 9, 's-Gravenhage.

NEW ZEALAND
United Nations Association of New Zealand, C.P.O. 1011, Wellington.

NORWAY
Johan Grundt Tanum Forlag, Kr. Augustsgt. 7A, Oslo.

PAKISTAN
The Pakistan Co-operative Book Society, Dacca, East Pakistan.
Publishers United Ltd., Lahore.
Thomas & Thomas, Karachi, 3.

PANAMA
José Menéndez, Plaza de Arango, Panamá.

PARAGUAY
Agencia de Librerías de Salvador Nizza, Calle Pte. Franco No. 39-43, Asunción.

PERU
Librería Internacional del Perú, S.A., Lima and Arequipa.

PHILIPPINES
Alemar's Book Store, 749 Rizal Avenue, Manila.

PORTUGAL
Livraria Rodrigues, 186 Rua Aurea, Lisboa.

SINGAPORE
The City Book Store, Ltd., Collyer Quay.

SPAIN
Librería Bosch, 11 Ronda Universidad, Barcelona.
Librería Mundi-Prensa, Lagasca 38, Madrid.

SWEDEN
C. E. Fritze's Kungl. Hovbokhandel A-B, Fredsgatan 2, Stockholm.

SWITZERLAND
Librairie Payot S.A., Lausanne, Genève.
Hans Raunhardt, Kirchgasse 17, Zurich 1.

THAILAND
Pramuan Mit Ltd., 55 Chakrawat Road, Wat Tuk, Bangkok.

TURKEY
Librairie Hachette, 469 Istiklal Caddesi, Beyoglu, Istanbul.

UNION OF SOUTH AFRICA
Van Schaik's Bookstore (Pty.), Ltd., Box 724, Pretoria.

UNITED ARAB REPUBLIC
Librairie "La Renaissance d'Egypte", 9 Sh. Adly Pasha, Cairo.
Librairie Universelle, Damas.

UNITED KINGDOM
H. M. Stationery Office, P.O. Box 569, London, S.E.1.

UNITED STATES OF AMERICA
International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N. Y.

URUGUAY
Representación de Editoriales, Prof. H. D'Elía, Plaza Cagancha 1342-1° Piso, Montevideo.

VENEZUELA
Librería del Este, Av. Miranda, No. 52, Edf. Galipán, Caracas.

VIET-NAM
Papeterie-Librairie Xuân Thu, Boîte Postale 283, Saigon.

YUGOSLAVIA
Cankarjeva Zalozba, Ljubljana, Slovenia.
Drzavno Preduzece, Jugoslovenska Knjiga, Terazije 27/11, Beograd.
Prosvjeta, 5, Trg. Bratstva i Jedinstva, Zagreb.

[58E2]

Orders and inquiries from countries where sales agents have not yet been appointed may be sent to: Sales and Circulation Section, United Nations, New York, U.S.A.; or Sales Section, United Nations, Palais des Nations, Geneva, Switzerland.

Printed in Switzerland–March 58–4,700
Reprinted in U.N.–6919–March 58–2,525

Price: $U.S. 4.00; 28/- stg.; Sw. fr. 17.00
(or equivalent in other currencies)

United Nations publication
Sales No.: 58.II.E.1
E/ECE/317

THE UNIVERSITY OF ILLINOIS AT CHICAGO
3 8198 324 533 163

BOUND BY
HNM